

FULLER PEISER
Chartered Surveyors
Property and Plant Valuers and Agents
Fuller Peiser and Associates have offices in London, New York, Los Angeles, Toronto & 20 other locations in North America and U.K.
Telephone 01-353 6851

FINANCIAL TIMES

PUBLISHED IN LONDON AND FRANKFURT

No. 29,105

Saturday August 27 1983

***35p

HINE
connoisseurs' cognac

CONTINENTAL SELLING PRICES: AUSTRIA Sch 15; BELGIUM Fr 35; DENMARK Kr 7.00; FRANCE Fr 5.50; GERMANY DM 2.00; ITALY L 1.100; NETHERLANDS Fl 2.25; NORWAY Kr 6.00; PORTUGAL Esc 65; SPAIN Ptas 95; SWEDEN Kr 6.50; SWITZERLAND Fr 2.00; EIRE 50p; MALTA 30c

P7
Mortgages—Back to the bad old days

P8
The cream of cruise ships

P14
PROFESSIONAL FOOTBALL
Sponsors put their shirts on it
P15
IRISH OIL
The entrepreneurs are smiling

P13
The keel row

P26
Lloyd Webber's Palace

NEWS

GENERAL BUSINESS

Andropov offers to scrap missiles

Soviet leader Yuri Andropov yesterday offered to scrap a "considerable number" of Soviet SS-20 missiles, as part of an East-West agreement on curbing medium-range nuclear arms in Europe.

It was the first such clear Kremlin statement since talks on arms curbs began in 1981.

The Soviet Union previously offered only to withdraw missiles to Siberia, out of range of Europe, which the U.S. said was not enough.

Liberals fall out

A bitter row in the Liberal Party followed leader David Steel's letter to fellow MPs about party attitudes. Page 3

Hostage set free

The Irish National Liberation Army freed Elizabeth Kirkpatrick, whom it had kidnapped to dissuade her supergrass husband from giving evidence against its members.

Fatal RAF crash

Holidaymakers watched an RAF Lightning aircraft crash 200 yards offshore in Scarborough North Bay, killing the pilot.

Pakistan hopes

Leaders of anti-government protests in Pakistan believe President Zia ul-Haq will soon begin talks with them. Page 2

Chile may ease up

Chile's military rulers are considering lifting the 1978 emergency laws and easing curbs on civil liberties and political activity. Page 2

Diplomat defects

Zygmunt Idczkowski, first secretary at the Polish embassy in Copenhagen, asked for political asylum in Denmark.

Reagan wooing

In a bid to court women voters, President Reagan said he was pushing for tougher enforcement of sex discrimination laws.

Rapist's lair

Police searching woods in Bexley, south London, for a double rapist found a 14 ft long underground room with bed and food, which they think he used.

Kiwi collapse

New Zealand were 125 for 7 in reply to England's 420 in the fourth cricket test.

Campaign afoot

BR is to provide a free sock-washing service for passengers at Euston station, London, on Thursday, as part of a promotional campaign.

Briefly...

Very warm holiday weekend was forecast. Back Page
Mini turned 24. Page 3.
Vienna apartment house fire killed three people.
Black widow spider plague hit Astrakhan, southern USSR.

Financial Times

The Financial Times will not be published on bank holiday Monday, August 29.

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

| RISES | |
|------------------|-----------|
| Acis Jewellery | 15 + 5 |
| Copex | 105 + 5 |
| Fleet Hides | 117 + 5 |
| GRV | 124 + 5 |
| Highgate and Job | 70 + 13 |
| ICI | 524 + 10 |
| Inter-City Inv | 69 + 5 |
| LCP Hides | 93 + 4 |
| Ladbroke | 227 + 6 |
| Laird (J.) | 136 + 10 |
| Millets Leisure | 130 + 26 |
| Munich Bros | 47 + 4 |
| Polys Pack | 1244 + 11 |
| Sunbeam Woolsey | 39 + 5 |
| Tesco | 153 + 5 |
| Unigate | 108 + 5 |
| Waddington (J.) | 270 + 9 |

| FALLS | |
|---------------------|----------|
| Wholesale | 124 + 6 |
| Aran Energy | 49 - 7 |
| Atlantic Rev | 340 - 15 |
| Bentley | 354 - 10 |
| Edinburgh Oil & Gas | 200 - 20 |
| Sun UCL Royal | 280 - 20 |
| EZ Inds | 302 - 14 |
| Gid Mas Kitz-Grie | 705 + 15 |
| Leidenburg Plat | 623 - 51 |
| Pekit-Walland | 462 - 11 |

| FALLS | |
|------------------|----------|
| Bovater | 215 - 7 |
| Greenwich Cable | 40 - 5 |
| GRK | 525 - 9 |
| Repsco | 92 - 5 |
| Reliant Hipe-Cav | 225 - 45 |
| Wagon Finance | 45 - 8 |

Lloyd's set for profit record of over £300m

BY JOHN MOORE, CITY CORRESPONDENT

LOYD'S OF LONDON insurance market is expected to report record profits of more than £300m next week when it announces results for the last completed trading period. They will represent a major improvement in the market's overall performance.

Lloyd's keeps its accounts open for three years to assess more accurately the extent of liabilities on its insurance policies. Last year it declared results for the 1979 underwriting account which showed £173m profits, themselves a record.

Projections by the Association of Members of Lloyd's formed of 1,000 members of the Lloyd's community, have indicated that the 1980 account profit could be about £316m.

Underwriting losses are expected to have risen by substantial returns from investment income will have swelled the overall improvement in Lloyd's performance.

This will mean that on average the 19,000 or so Lloyd's members entitled to receive a return from the 1980 underwriting account will receive a higher payout.

Lloyd's private membership pledges all its wealth, allowing the market to function, in return for a share of the profits. Lloyd's professionals accept business on their behalf and they receive a regular payout.

According to the Association of Members of Lloyd's the average payout for the 1980 account based on a survey of about half of Lloyd's total insurance capacity was about £900 for each £10,000 of business accepted by each member. This compares with £800 for the 1979 underwriting account.

Lloyd's dominates the world's marine insurance business with a 20 per cent market share. This has enhanced its profitability. Marine syndicates, the units into which Lloyd's members are grouped, have shown a strong performance.

The only ones reluctant to take short-term risks on trade deals. Exporting companies, exporters and multi-national companies had reacted to the difficulties of the developing countries by "sharply reducing their exposure to the whole spectrum of risks involved in doing business with developing nations."

"Ultimately, the solution lay in world economic recovery and renewed confidence by banks, exporters and multi-national corporations, Mr Oliver said. Meanwhile, bankers and governments export credit agencies could, and should, try to minimise the disruptive impact on trade of developing countries' financial problems."

Mr Oliver said that reports of growing problems in financial trade with developing countries were "accelerating in frequency." The U.S. was particularly worried that trade with

Trade with Third World in danger, warns U.S.

BY REGINALD DALE, U.S. EDITOR, IN WASHINGTON

THE U.S. Administration now fears that trade with developing countries—especially in Latin America—is being seriously endangered by shortages of finance due largely to unnecessary nervousness by international banks.

The "evaporation" of trade credit and finance "will deprive the wheel of international trade of essential lubrication and forestall economic adjustment and recovery," according to Mr. Ronald Oliver, U.S. Under-Secretary of Commerce for International Trade.

The Commerce Department is afraid that the resulting sharp squeeze on debtor countries' imports will stimulate protectionism in the U.S., complicate bilateral trade negotiations and ultimately reduce the developing countries' ability to earn their way out of debt by cutting into the protective sectors of their economies.

With many banks seeking to minimise the growth of their exposure to financially-troubled developing countries, most of the new funds available are being used to meet interest payments on old debts, Mr Oliver told me the American Bankers' Association international summer school in Washington.

This process left banks less willing to assume new risks or to advance funds in support of new trade deals.

The cutoff of trade credit to developing countries, particularly to the private sector, was "inimicable at best, dangerous possibly, and may undermine all the efforts that have been made to help these economies adjust," he said.

The banks were not, however, the only ones reluctant to take short-term risks on trade deals. Exporting companies, exporters and multi-national companies had reacted to the difficulties of the developing countries by "sharply reducing their exposure to the whole spectrum of risks involved in doing business with developing nations."

"Ultimately, the solution lay in world economic recovery and renewed confidence by banks, exporters and multi-national corporations, Mr Oliver said. Meanwhile, bankers and governments export credit agencies could, and should, try to minimise the disruptive impact on trade of developing countries' financial problems."

Mr Oliver said that reports of growing problems in financial trade with developing countries were "accelerating in frequency." The U.S. was particularly worried that trade with

John Brown Engineering to axe 500

BY MARK MEREDITH, SCOTTISH CORRESPONDENT

JOHN BROWN Engineering is to axe 500 of the 1,750 at its Clydebank plant near Glasgow, because of a drop in demand for power equipment on world markets.

The cut at the gas turbine manufacturer, announced last night, follows this week's announcement that negotiations by the parent John Brown Engineering to sell John Brown Engineering to Hawker Siddeley had broken down. But the two events do not appear to be directly connected.

John Brown said it foresees a good future for the company as a stand-alone business, but the slimmed-down work force.

John Brown Engineering has been one of the most successful parts of the troubled John Brown group. But, like other gas turbine producers, it has been worried about its export order book in the long term.

The gas turbine division's profits last year were only £10m on sales of £112m. The figures, published two weeks ago, compared with profits of £10.1m on a turnover of £80m five years ago.

The Scottish-based company is about halfway through a contract to produce 21 gas turbines for the Soviet Union's Siberian gas pipeline project. It has also a turbine power station project underway in Oman.

The company's main business is in complete power generation units. It manufactures General Electric turbines as an associate of the U.S. company, importing the central rotor blades for the turbines directly from GE.

John Brown Engineering said that although there had been a notable slump in orders, they expected a rise in demand over the next year or two, especially in power generation. This view is not shared by other manu-

Strike over pit closure rejected

BY PHILIP BASSETT AND MARK MEREDITH

MINERS at Cardowan colliery, Scotland, yesterday voted decisively against strike action to prevent closure of the pit. The relatively muted response of miners' leaders in South Wales to the proposed shutdown of Brynallw colliery was taken as an indication that miners there may follow suit.

Closure of the two mines in traditionally militant areas, if it happens, will be a further rebuff for Mr Arthur Scargill, president of the National Union of Mineworkers, in his campaign against closing uneconomic pits.

The crucial factor in both cases is the offer of alternative jobs. Sir Norman Siddall, the outgoing chairman of the National Coal Board, has been careful to avoid any compulsory redundancies in the industry.

His success—six pits have been closed since the start of this financial year—may tempt Mr Ian MacGregor to take a similar line after he takes over as chairman on Thursday.

Coal production at Cardowan, east of Glasgow, ended last night after the miners there voted, by 328 votes to 195 in a secret ballot, not to continue to fight against the closure. Savage work will begin on Monday.

Mr James MacCafferty, NUM branch secretary at Cardowan, said that he was disgusted with

Britain takes to beer in plastic bottles

By Carla Rapoport and Maurice Samuleson

BRITAIN'S beer drinkers have proved so keen to switch from the cans and traditional glass bottles to plastic bottles that brewers and bottlers can hardly keep up with demand.

"It has been the most successful packaging introduction in our business since the aluminium can," said Mr Graeme Falconer, managing director of Watney Mann's national sales division.

The company estimates that the plastic bottle has already captured 6 per cent of the £700m-a-year take-home beer market since it was introduced nationally some 12 months ago.

Watney Mann projects a 10 per cent share by next year, while others are predicting even faster growth.

"There has been no consumer barrier to beer in plastic bottles, as we feared," Mr Falconer said.

The popularity of the new containers, and the boost given to demand generally by the warm weather, has meant that supplies of beer in plastic bottles have been rationed in many parts of the country.

Metal Box, the main supplier of the bottles, has put on extra shifts to increase supplies, while Davenport Brewery, which puts a beer into the bottles for most of the brewers, is working 24 hours a day, seven days a week.

Investments totalling more than £15m have been announced or are planned by both the bottles' producers and the brewers. Projects include:

- A £5m plant at Witley, Cleveland, for the production of polyethylene terephthalate (PET) by Imperial Chemical Industries. The company is expected to announce the construction of another plant costing a similar sum by the end of the year.
- Metal Box, Britain's largest packaging group, is building a second PET bottle plant in Wrexham, North Wales, at a cost of £2m. When completed, the number of its employees engaged in PET bottle manufacture will rise from 100 to 200.
- BXL Plastics, the British Petroleum subsidiary, is to spend £1.5m on a PET bottle

Vauxhall workers call for ban on company's imports

BY BRIAN GROOM, LABOUR STAFF

WORKERS AT Vauxhall's Ellesmere Port, Merseyside, car factory, at mass meetings yesterday voted unanimously to campaign for a nationwide union blockade on imports of Vauxhall/Opel vehicles from continental Europe. The vote was an attempt to force a big rise in the company's 5 per cent pay offer.

Disruption in protest at the offer continued yesterday with a strike by 2,400 members of the Amalgamated Union of Engineering Workers at Ellesmere Port and sporadic walk-outs of up to an hour by several hundred workers at Luton.

The 1,800 members of the Transport and General Workers Union who went on strike at Ellesmere Port on Thursday when news of the offer leaked out returned to work. At a mass meeting, however, they called for the import ban.

AUEW workers were reported to have backed this at their own meeting.

The support of dockers, lorry-drivers and other groups will be sought at a meeting with TGWU national leaders at the TUC Congress in Blackpool the week after next. In

Continued on Back Page

There's something new in the air!

SOUTH AFRICAN AIRWAYS SAA

Another first for SAA!

Now you can fly the great new way to South Africa—aboard SAA's new 747-SUDs to Johannesburg. This is the most advanced version of Boeing's prestigious 747—giving you, more than ever, the lion's share of space, comfort and convenience.

Book through your IATA Travel Agent or contact SAA at:

251 Regent Street, London W1R 7AD, Tel: 01-734 9841.
Or at Waterlooside, Birmingham, Tel: 021-643 9605.
Pier Street, Manchester, Tel: 061-834 4436.
Hope Street, Glasgow, Tel: 041-221 2932.

SAA
SOUTH AFRICAN AIRWAYS—SHARE OUR WORLD!

OVERSEAS NEWS

Kohl stands by Nato nuclear missiles policy

BY JONATHAN CARR IN BONN

THE West German Chancellor, Herr Helmut Kohl, yesterday stressed that he remains fully behind Nato's nuclear missiles policy and will not be budged by hostile demonstrations likely this autumn.

"Policy is not made on the streets of the Federal Republic," Herr Kohl told a Press conference here—his first since returning from holiday.

The Chancellor briskly rejected any suggestion that Bonn might be having second thoughts as the end-of-year deadline for deployment of new U.S. missiles draws near.

He said he had recently

received letters from President Ronald Reagan and Mr Yuri Andropov, the Soviet leader. The letters had confirmed his view that there was still a chance at least for an interim solution in the superpower talks on intermediate-range nuclear missiles in Geneva.

He left no doubt that falling a Soviet-U.S. accord, West Germany would accept deployment of new missiles as scheduled in Nato's "twin track" (arm and negotiate) decision of 1979.

Herr Kohl's statement of support for Nato's nuclear strategy is far from new, but his public

reassurances are bound to be welcomed by the U.S. in particular.

During the summer, Herr Kohl and Herr Hans-Dietrich Genscher, his Foreign Minister, made remarks raising fears in Washington that the Germans might be less ready to accept deployment of Pershing-2 missiles.

Under the Nato decision, West Germany is the only country due to receive these weapons. If Bonn weakened, then other European countries which have agreed to accept cruise missiles might change their minds.

Yesterday, Herr Kohl underlined that if it came to deployment, then there would have to be a "weapons mix." In other words, Pershing-2s would be installed as well as cruise missiles.

He also rejected as "senseless" the Greek Government's suggestion that deployment be delayed for six months to give the superpowers more time to reach accord. Only under pressure of time was a Geneva result likely, Herr Kohl declared.

Asked about a recent opinion poll indicating that some 75 per cent of West Germans are against new missiles deployment, Herr Kohl said his

Christian Democrat Party has already claimed that the result was not balanced.

Government officials yesterday confirmed a front-page story in the Frankfurter Allgemeine Zeitung that the Soviet Union had tested a "killer satellite" last year—far out in space but roughly above the Bavarian capital of Munich.

During the test, only partly successful, the Russians sent up a satellite weapon to try to destroy a target already circling the earth. According to the officials this is one of many such tests carried out by Moscow over the past few years.

Assets of Italian bank officials seized

By Rupert Cornwell in Rome

MILAN magistrates investigating the collapse last year of Sig Roberto Calvi's Banco Ambrosiano have confirmed they have ordered the cautionary confiscation of the assets of some of those closely connected with the affair.

The news comes shortly after the seizure of a controlling interest of 50.3 per cent in the Rizzoli publishing house held by its former chairman Sig Angelo Rizzoli and Sig Bruno Zaccan Din, until last February its managing director. Rizzoli was heavily indebted to Ambrosiano and its affairs were deeply entangled with those of the failed bank.

Exactly who has been affected by the latest measure, which magistrates say is normal procedure in a bankruptcy case, was not entirely clear yesterday.

But according to most reports here those involved are board members of the old Ambrosiano, as well as senior officials on its foreign side who had been closely concerned with the \$1.3bn (\$855m) of loans granted by Latin American subsidiaries of Ambrosiano, which led directly to its downfall.

It is understood that two senior officers of the Istituto per le Opere di Religione (IOR), the Vatican Bank, have been subjected to the order. They are Sig Luigi Menzini, the IOR's managing director, and Sig Pellegrino de Stroebe, its chief accountant.

When Ambrosiano collapsed in the summer of 1983, IOR held a declared interest of 1.6 per cent in the bank. But it had also issued, a year earlier, letters of patronage to Sig Calvi in which it admitted titular ownership of the Panamanian and Luxembourg companies which had borrowed more than \$1bn from the Ambrosiano group.

These borrowings were principally secured by shares in Banco Ambrosiano, equal to over 10 per cent of its capital.

Uruguay parties step up protests

By Jimmy Burns in Montevideo

URUGUAY'S opposition groups yesterday threatened to step up their campaign for an early return to democratic rule following the success of their co-ordinated "day of protest" in 10 years of military rule.

"This is only the beginning. We shall go on until the regime gives up," said an official of one of the country's major political groupings, the outlawed Blanco Party, whose leader Wilson Ferreira, is exiled in Europe.

Other party militants meanwhile were planning further days of protest over the next few weeks, culminating in a general strike in November.

On Thursday, the bulk of Montevideo's 1.5m population boycotted official Independence Day celebrations by staying off the streets in what human rights and political groups had announced as a "Day of National Reflection."

In the evening, the majority of private houses switched their lights off for a quarter of an hour and people throughout the city banged empty cooking pots in protest at the government's economic policies.

In an attempt to avoid a major confrontation, the authorities did not intervene until later in the day when the banned left-wing coalition Front Amplio staged a demonstration.

Security police detained the Buenos Aires correspondent of the Financial Times and an U.S. radio reporter in a street close to the demonstration. Both men were released after being roughly manhandled.

Moves under way to set up Reagan's re-election campaign

BY REGINALD DALE, U.S. EDITOR, IN WASHINGTON

PRESIDENT Ronald Reagan's undeclared campaign for a second term in the White House is moving steadily forward, even though he has not yet formally stated that he will run again in 1984.

Mr Reagan's political advisers are proceeding with plans to set up a presidential re-election committee this autumn, apparently with Mr Reagan's tacit blessing.

The fact that Mr Reagan has raised no objection to the committee's formation is regarded by some White House officials as the most significant indication yet that he will go for a second term, as virtually everyone in Washington expects.

There is still some doubt, however, about the timing of the committee's official establishment. Mr Reagan is believed to be unwilling to give his formal approval until after he returns from his two-week tour of Asia in mid-November. He wants to go to Asia as a statesman, not a candidate for office.

This means that the committee's formation would have to be delayed until some time in November, as Mr Reagan has only 15 days after its establishment to give it his formal blessing if he wants to qualify for matching federal funds for his campaign.

Many of Mr Reagan's aides, however, believe that he will not officially declare his candidacy until December. As soon as he does so, his actions will start being interpreted as solely those of an office-seeker and he risks losing the bi-partisan consensus he has been seeking on



Reagan... tacit blessing

a wide range of domestic and foreign issues.

For many weeks already, Mr Reagan has been behaving as if he is running, and all his advisers are assuming that he will do so.

The decision has basically been made," said one White House official—a view echoed yesterday by Mr Lyn Nofziger, architect of Mr Reagan's successful 1980 campaign and a prime mover in the unofficial drive for his re-election.

The re-election committee is expected to be run by Edward Rollins, the White House political affairs director, with Mr Reagan's close friend, Senator Paul Laxalt, acting as overall campaign co-ordinator.

Mr Reagan has been widely reported to have been reflecting on campaign tactics and the timing of his announcement, during his holiday at his California mountain-top ranch this month.

Mexico signs \$11.4bn rescheduling package

BY WILLIAM HALL IN NEW YORK

MEXICO'S Finance Minister, Sr Jesus Silva-Herzog, yesterday signed a rescheduling agreement covering \$11.4bn (\$7.5bn) of government debt. This is the largest part of the biggest rescheduling package to be put together for any debtor country.

The signing comes one year and six days after Mexico and its bankers held an historic meeting at the New York Federal Reserve Bank which marked the beginning of the current international debt crisis.

Bankers yesterday hailed the signing as evidence of the success of their efforts to prevent heavily indebted Latin American countries from defaulting on their \$300bn debt.

Sr Silva-Herzog, who praised the banks' yesterday for their support, said the meeting at the New York Fed on August 20 last year had shaken the foundations of the world financial system.

Mexico had experienced a flight of domestic capital overseas—in the midst of a changeover of administrations—and this had drained the country's reserves and demonstrated the unsustainable position of Mexico's payments.

After the first shock, Mexico took several painful measures to put its house in order and Sr Silva-Herzog said yesterday his results were now showing.

International confidence in his economy was rapidly im-

proving. The country's current account balance was positive "for the first time in modern times" and the public sector deficit had been cut drastically.

The country expects to have another year of negative growth in 1983 but Sr Silva-Herzog stressed that while the measures taken had been painful they were necessary.

The loan signing, which was attended by representatives of the IMF, the Bank of England, the Federal Reserve Bank of New York as well as commercial bankers, is regarded as a significant step forward for Mexico in its road to economic recovery.

Several bankers present at the meeting compared the success of Mexico's efforts to reschedule its debts with the slow progress of Brazil which is facing mounting financial difficulties.

Privately one very senior banker, privy to both countries' financial discussions with the banks, said Mexico had been successful because it had identified the problem and taken firm action at a much earlier stage.

By contrast, Brazil had stressed for several months that there was no problem and had been reluctant to take the appropriate measures to put its house in order. This was why it was suffering the financial difficulties currently, he said.

Chile considers lifting state of emergency

BY MARY HELEN SPOONER IN SANTIAGO

GEN AUGUSTO PINOCHET's regime is considering lifting the state of emergency legislation in effect in Chile since 1978 and easing other restrictions on political activity and civil liberties.

The move follows a meeting between Sr Sergio Jarpa, Interior Minister, and five leaders of the Democratic Alliance, a coalition of opposition groups.

The Democratic Alliance has demanded an end to the special

powers given the president by Chile's three-year-old constitution, new legislation permitting elections and political parties, the return of all Chilean exiles, freedom of information and assembly, and an investigation into alleged abuses by Chilean security forces during the August 11 day of protest when 24 died.

The opposition has also called for Gen Pinochet's removal—a demand Sr Jarpa has termed "unrealistic."

UN chief attacks Pretoria line on Namibia



Sr Perez de Cuellar

THE United Nations secretary general, Mr Javier Perez de Cuellar, yesterday expressed his opposition to South Africa's insistence that the withdrawal of Cuban troops in Angola should be linked to negotiations for the independence of Namibia (South-West Africa).

Mr Perez de Cuellar, speaking at a press conference in the Namibian capital of Windhoek shortly before flying to Angola, said: "I have the idea of linking the two things." It would be unfair, he continued, to subordinate Namibia's independence to the situation in Angola.

What has become known as the "linkage" issue is regarded as the major stumbling block in efforts to find a settlement.

After two days of talks with

Mr Perez de Cuellar in Cape Town earlier this week, Mr P. W. Botha, the South African Foreign Minister, asserted the Cuban presence as "the decisive, major, main obstacle" to progress.

The secretary general told reporters that linkage was not within his mandate. "I address this problem it will be in an entirely different context, not the context of Resolution 435," he said.

South Africa and the guerrilla organisation fighting in Namibia, the South-West Africa People's Organisation, have accepted most of the provisions in the settlement plan itself set out in UN resolution 435. But there is no indication that any progress has been made

towards resolving the Cuban issue.

Last night Mr Perez de Cuellar arrived in the Angolan capital, Luanda, for talks with President Eduardo dos Santos and Mr Sam Nujoma, the Swapo leader.

The secretary general has spent his time in Windhoek holding a series of 15 minute meetings with most of the internal Namibian parties. The largest of the parties, however, the Democratic Turnhalle Alliance led by Mr Dirk Mudge, refused to attend.

During the day a South African military spokesman in Windhoek said that security forces had killed 7,394 Swapo guerrillas since the war began in 1966.

Japan outlines response to enemy vessels

BY CHARLES SMITH, PAR EAST EDITOR IN TOKYO

JAPAN WOULD attack enemy vessels within 1,000 nautical miles of its islands even if no direct attack were being made on Japanese ships, according to the country's 1983 Defence White Paper.

The White Paper, released yesterday, spells out in unprecedented detail what the Defence Agency understands by the defence of sea-lanes. It suggests three situations within which the Marine Self-Defence Force, Japan's navy, might take the initiative:

● If U.S. ships came under attack and it was thought that repulsion of the attack was essential to Japan's security.

● If ships belonging to third countries, but carrying "vital"

cargoes to Japan, were attacked.

● To intercept ships in straits belonging to countries that were already attacking Japan.

The White Paper says that the ability to patrol Japan's sea-lanes up to a distance of 1,000 nautical miles from the country's coasts is one of the basic capabilities needed by the defence forces (the other two are air defence capability and capability to cope with an invasion by land and sea).

The document denies that Japan would be engaging in collective defence if its ships came to the assistance of U.S. naval vessels in the vicinity of Japan. It reiterates the belief that Japan's post-war peace con-

stitution debars the nation from taking part in "true" collective defence arrangements.

Apart from its revealing paragraphs on sea-lane defence the 1983 White Paper for the first time gives a detailed breakdown of Japan's military forces. In some cases pinpointing apparently serious weaknesses. It also lists recent occasions on which Japan's military forces have held joint exercises with the U.S.

Another new feature of this year's White Paper is a table which shows how Japan's defence spending compares with that of 19 other major nations. Japan ranks eighth on the list in terms of total spend-

ing but last but one in per capita terms. Defence spending in 1981 totalled ¥2,400bn (\$6,555bn) or roughly ¥20,000 per head.

This year's expanded and more explicit White Paper clearly reflects the wish of Mr Nakasone, the Prime Minister, to increase defence awareness among the Japanese public. The White Paper gives chapter and verse on what the government obviously regards as worrisome increases during the past year in Soviet naval and air activity around Japan. It refers to the presence of 108 Soviet SS-20 missiles in Eastern Siberia as a direct threat to Japan's security.

Jumblatt flies to see U.S. envoy

By Patrick Cockburn

THE LEADER of Lebanon's left opposition, Mr Walid Jumblatt, left Damascus yesterday for a surprise meeting in Paris with President Reagan's special Middle East envoy, Mr Robert McFarlane.

Mr McFarlane is seeking to negotiate the peaceful takeover by the Lebanese army of the Shouf mountain area south-east of Beirut. The area, which is largely controlled by Mr Jumblatt's followers, is currently policed by Israeli troops who are sworn to withdraw in the Awali River north of Sidon.

Soon after Mr Jumblatt left for Paris, his two main allies in the Syrian-backed opposition to the Lebanese Government issued a statement calling for a conference with President Amin Gemayel to discuss national reconciliation.

Supporters of Mr Jumblatt, who is leader of the powerful Druze sect, said in Damascus yesterday that he would not allow the Lebanese army to enter the Shouf unless agreement was reached between him and President Gemayel.

The Druze leader considers the Lebanese army biased towards the Christians. In skirmishing with Christian militiamen and regular army units over the past month, the Druze militia have used heavy artillery supplied by Syria and have closed Beirut airport on a number of occasions.

The ability of the government to send its troops into the Shouf is seen as a key test of Mr Gemayel's authority. In a television address on Thursday night, Mr Gemayel called for people in the Shouf not to fire on troops when they entered the area.

Wafd party opposed

THE EGYPTIAN Government has played a major obstacle in the way of the return to political life of the new Wafd party which could become the focus of moderate opposition there.

A committee of the Egyptian parliament, wholly dominated by the Government, has ruled on a technically that the Wafd party—the main exponent of Egyptian nationalism before World War II—had dissolved itself in 1978 when the late President Anwar Sadat banned its leaders from political activity.

If the party cannot now obtain a licence to operate, it will be forced to re-apply, thus giving it little time to prepare for the general elections in April.

Cairo increases prices of heavier crude oils

BY RICHARD JOHNS

EGYPT yesterday raised the prices for its heavier crude oils for the fourth time since April in response to the continued strength of the market.

The Egyptian General Petroleum Corporation announced that the rates for Suez Blend (which has a specific gravity of 33 degree API gravity), had been increased from September 1 by 25 cents to \$28.30 per barrel for Belayim (26 degrees) by 50 cents to \$26.75, and for Ras Garib (21 degrees) by \$1 to \$24.50.

Egypt, like the Soviet Union, adjusts its prices fairly frequently according to market conditions and demand. The

latest change means its Suez Blend will be priced next month at \$1.25 more than the level set at the beginning of March.

Its move follows similar action taken a month ago by Iran, Venezuela, and Mexico for their heavier crudes as result of the improvement in prices for heavy fuel oil during the summer.

Generally, prices are holding steady. On the spot market Iran Heavy was being traded this week at about one dollar a barrel above its \$27.10 official selling rate. Yesterday Arabian Heavy was at \$26.70 compared with an official price of \$26.

Egypt extends deadline for nuclear plant tender

EGYPT yesterday announced a two-month extension of the deadline for tenders for its first nuclear power project, following reluctance by the U.S. Export-Import Bank to grant credit to two of the U.S. companies making bids.

An official notice in the Cairo Press said the closing date for tenders for construction of a 1,200 Mw plant at Al Daba, 125 miles west of Alexandria, had been put back from September 26 to November 26.

Egyptian officials said the postponement was made at the request of the nine companies competing to build the 1,000-

megawatt facility, estimated to cost \$2bn (£1.3bn).

A report in the U.S. magazine Business Week said the Exim Bank had declined \$850m in credits for Westinghouse Electric Corporation and Combustion Engineering, two of the five U.S. companies making bids.

The magazine said the bank feared that Egypt was a bad credit risk because of its growing foreign debt, declining oil revenue and heavy energy subsidies. Egypt's foreign debt stood at about \$16bn earlier this year.

Egyptian officials declined immediate comment.

Opposition believes Zia may soon begin talks

BY JOHN ELLIOTT RECENTLY IN KARACHI

LEADERS of the political demonstrations in Pakistan believe that the Government of General Zia-ul-Haq may soon start private talks with four of their senior leaders in an attempt to bridge the gulf between the martial-law regime and the country's outlawed political parties.

At the same time the credibility of the country's Movement for the Restoration of Democracy (MRD) which has organised the demonstrations, is facing a crucial test.

If the MRD does not show by the end of the weekend that it can sustain the two weeks of demonstrations and violence throughout the southern province of Sind, the Government will be able to claim justifiably for the first time that the immediate crisis is over.

There was little trouble in Karachi, capital of the Sind, yesterday, but matches and

demonstrations broke out in some other areas.

Cabinet ministers and officials of the Sind State Government are planning a visit to Sukkur, a centre of violence in the north, to decide whether to order tougher police activity next week.

Political tensions have been heightened by the Indian government—which has an uneasy relationship with Pakistan—pledging its support for the MRD.

The Government yesterday voiced support in principle for the MRD. The External Affairs Minister, Mr P. V. Narasimha Rao, in the Lower House of Parliament, and the Finance Minister, Mr P. K. Mukherjee, in the Upper House, made identical statements setting out the Government's stand.

They said: "The Government has been watching with uneasiness and distress the recent

happenings in Pakistan and the sufferings of the people who have been demanding restoration of democracy in that country. As a nation, we are committed to democracy."

This is the second time in less than a month that it has involved itself controversially in the problems of a neighbouring country. For the past three weeks it has been trying to help the Tamil minority group in Sri Lanka.

The four leaders have been transferred from individual houses in Karachi where they have been under house arrest to a guest house outside the city.

Although the government yesterday denied that any talks were planned, it is assumed here that President Zia's representatives are anxious to talk to the two most prominent leaders of rival factions within the Peoples Party of Pakistan,

Mr Mumtaz Bhutto, and Mr G. M. Jatoi.

With three other leading personalities, they dominate the Sind province, owning more than half the land and claiming the loyalty of as much as 80 per cent of the rural population.

They are all active in the PPP, the political party most feared by President Zia because he ousted the former late President Bhutto of the PPP from power in 1977.

President Zia said two weeks ago that the PPP would not be allowed to take part in elections he planned during the next 18 months.

The disturbances of the past fortnight have all taken place in areas controlled by the landowners, reflecting frustration at their decreasing political power under the Zia regime, and also unrest among their employees and followers about general conditions in the Sind.

Towns and villages affected stretch for about 200 miles up the river Indus from the city of Hyderabad, northeast of Karachi, along a rich agricultural belt that contrasts sharply with the other desert areas in the Sind.

While the demonstrations in Karachi have subsided during the past few days, into isolated street fighting between police and demonstrators with little sense of overall direction, the rural population kept its activity going throughout most of the past week.

FINANCIAL TIMES, USPS No. 106840 published daily except Sundays and holidays. U.S. subscription rates: \$42.00 per annum. Second class postage paid at New York, NY and at additional mailing centres. POSTMASTER: send address changes to FINANCIAL TIMES, 75 Rockefeller Plaza, NY, NY 10019.

FINANCIAL TIMES FILM SERVICE

20 Supersize prints for £2.25

Now 30% Bigger Than Ordinary Enprints

TOP QUALITY
All prints will be borderless, Supersize Superprints, round cornered and in-definition sheen.

FAST SERVICE
On receipt of the films at the laboratory, all Kodacolor II 110, 126 & 35mm films will be processed in 48 hours. Other film makes and reprints can be processed but are not covered by the 48 hour guarantee and so take longer.

Please allow for variations in the postal service and the fact that there is no weekend working in the laboratory. Films should be returned in approximately 7-10 days.

Reprint prices are available on request. We do not accept C22, sub miniature, Minolta or black and white film.

COMPETITIVE PRICE
Developing, postage and packing at 85p per film plus a printing charge of 7p per print.

Prints are returned by first class post to your home, and full credit is given for negatives that are not technically printable.

| No. of exposures | FTFS Price |
|------------------|------------|
| 12 | £1.69 |
| 15 | £1.90 |
| 20 | £2.25 |
| 24 | £2.53 |
| 36 | £3.37 |

COLOUR PRINT FILM
Top quality 24 exposure colour print film only £1.25 available in 110, 126 and 135 sizes.

Complete the coupon below and post to: Financial Times Film Service, PO Box 45, Taplow, Maidenhead, Berks SL6 0AQ. Telephone: 0734 537359.

Please enclose cheque/P.O. made payable to "Financial Times Film Service" and post with film and coupon in a strong envelope to: Financial Times Film Service, P.O. Box 45, Taplow, Maidenhead, Berks SL6 0AQ.

If colour print film required please indicate quantity and add cost to order.

☐ If Ordinary Enprints required please tick box

NAME _____

ADDRESS _____

This offer is only applicable to readers of the Financial Times within the UK. We process on the basis that the film value does not exceed material cost and our liability is therefore limited to that amount. Offer valid to 31.12.84. Minimum charge £5.00. Registered in England No. 1237553.

Figures for the previous week had been 1.6m and 1.2m respectively. The BBC station had averaged 1.2m daily viewers for three weeks running until yesterday's figures. In May, TV-AM averaged only 200,000 viewers.

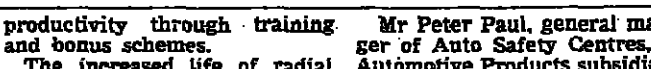
Laser centre

reaches for t

the skies

Green light lasting one-thousandth of a second. It is Europe's most powerful laser. Key claimed.

Sprite is big brother to a family of small ultra-violet lasers used for research in photo-chemistry and photo-physics. It is also proving a powerful new way of producing masks for highly integrated silicon chips.



EFFORTS to extract high-grade geothermal heat from subterranean rocks in Cornwall were described by Dr Alan Batchelor who manages the Energy Department's biggest foray into alternative sources of energy.

Dr Batchelor, of the Cambridge School of Mines, has just received a further £11m for the project.

He told the geology section that one of the earliest references to the energy potential of hot dry rock is at depths of several miles, due to Sir

Charles Parsons to the British Association in 1919. Sir Charles, inventor of the steam turbine, had forecast, however, that it would be 85 years before such schemes could work.

Dr Batchelor's project began in 1973 with UK and European Community funding. He has drilled down to 2,125 metres where it was 80 degrees C—used high explosive to fissure the surrounding rock. This made it permeable to water pumped in to carry the heat back to the surface.

rose last night when Transport dockers' leaders in the Transport and General Workers' Union agreed to recommend a settlement. This followed two days of talks with employers.

An overleaves ban, work-to-strike, and selective half-day strikes will end if the 1,000 dockers accept the recommendation at a mass meeting on Thursday. The deal would apply from September 5.

Associated British Ports, port operator and main employer, said dockers' leaders had accepted employers' demands for a two-year pay deal recommended by a union employer panel of the port company's national joint committee. The productivity-linked deal would include a 4% annual increase in basic rates from August 29, to last 16 months; a 17p an hour bonus for those affected by manning cuts; and a 54 extra supplement.

Associated British Ports said it was pleased dockers' representatives had at last accepted the need for improved produc-

Charles Parsons to the British Association in 1919. Sir Charles, inventor of the steam turbine, had forecast, however, that it would be 85 years before such a scheme could work.

Dr Batchelor's project began in 1973 with UK and European Community funding. He drilled down to 2,125 metres where it was 80 degrees C—a temperature high explosive to fissure the surrounding rock. TNT was made it permeable to water, pumped in to carry the heat back to the surface.

rose last night when Transport dockers' leaders in the Transport and General Workers' Union agreed to recommend a settlement. This followed two days of talks with employers.

An overleaves ban, work-to-strike, and selective half-day strikes will end if the 1,000 dockers accept the recommendation at a mass meeting on Thursday. The deal would apply from September 5.

Associated British Ports, port operator and main employer, said dockers' leaders had accepted employers' demands for a two-year pay deal recommended by a union employer panel of the port company's national joint committee. The productivity-linked deal would include a 4% annual increase in basic rates from August 29, to last 16 months; a 17p an hour bonus for those affected by manning cuts; and a 54 extra supplement.

Associated British Ports said it was pleased dockers' representatives had at last accepted the need for improved produc-

Laser centre

the skies

green light lasting one-thousandth of a second. It is Europe's most powerful laser, Mr Key claimed.

Sprite is big brother to a family of small ultra-violet lasers used for research in photo-chemistry and photobiology. It is also proving a powerful new way of producing the marks for highly integrated circuits.

EFFORTS to extract high-grade geothermal heat from subterranean rocks in Cornwall were described by Dr Alan Batchelor who manages the Energy Development's biggest foray into alternative sources of energy.

Dr Batchelor, of the Camborne School of Mines, has just received a further £1m for this project.

He told the geology section that one of the earliest references to the country's potential of hot dry rock dates of several million years ago.

Laser centre

Dr Key, who recently took charge of the central laser facility of the Science and Engineering Research Council at Chilton, traced the evolution of a family of world-class lasers it has developed with such

EFFORTS to extract high-grade geothermal heat from subterranean rocks in Cornwall were described by Dr Alan Batchelor, who manages the Energy Department's biggest foray into alternative sources of energy.

Dr Batchelor, of the Cambridge School of Mines, has just completed a further film for the project.

He told the geologists section that one of the earliest references to the energy potential of subterranean rocks appeared in several miles north of the

Charles Parsons to the British Association in 1819. Sir Charles, inventor of the steam turbine, had said at the time, however, that it would be 50 years before such a scheme could work.

Dr Batchelor's project began in 1973 with UK and European Community funding. He had drilled down to 2,125 metres where it was 80 degrees C—a used high explosive to fissure the surrounding rock. This made it permeable to water pumped in to carry the heat back to the surface.

HOPES of an end to an eight-month pay dispute at Birl Port rose last night when local dockers' leaders in the Transport and General Workers' Union agreed to recommend a settlement. This followed two days of talks with employers.

An overtime ban, work-to-rule, and selective half-day strikes will end if the 1,000 dockers accept the recommendation at a mass meeting on Thursday. The deal would apply from September 5.

Associated British Ports, port operator and main employer, said dockers' leaders had accepted employers' demands including manning cuts.

Leaders had accepted in full it said, a two-year pay deal recommended by a union employer panel of the port industry's national joint council linked to the productivity.

Conditional on reduced manning being agreed, the panel recommended a 9.8 per cent rise in basic rates from August 29, to last 16 months; a 17p-an-hour bonus for those affected by manning cuts; and a £4 extra supplement.

Associated British Ports said it was pleased dockers' representatives had at last accepted the need for improved produc-

THE WEEK IN THE MARKETS

Shares drift lower

Having again hit the high spots at the beginning of the week the London equity market has subsequently been in a more sober frame of mind.

A forecast from the National Institute of Economic and Social Research, that the UK recovery might peter out after the first quarter of next year, has further blunted investors' appetites for the party.

On Monday the Financial Times 30-Share Index had again risen through to a new peak of 740.4 as the market showed its pleasure at another set of J.S. money supply figures dampening down fears of a further hike in international interest rates this autumn.

Several factors which have previously kept share prices nibbling were absent this time. Company results although providing no shocks, were generally uninspiring by comparison with the much better than expected engineering results in previous weeks.

Some of the more significant J.S. purchasers of UK recovery stocks also appear to have got cold feet. UK favourites like Ilex dropped 47p to 810p on Wednesday. A weaker Wall Street did not help, neither did British Industrial and General Trust's liquidation of its £12m plus equity portfolio.

The recent comment on the possibilities of further Government spending cuts and/or increases in personal taxation has heightened the market's nervousness.

A rare feature of interest in an otherwise somnolent gilt-edged market was the strength of index-linked stock. The announcement early in the

LONDON

ONLOOKER

week of two new tablets—one of them extending comfortably into the next century—reinforced the market's anxiety about the likely level of Government funding over the next few years and enhanced the attractions of index-linked as a safe haven.

Britoil pleases

Two of the UK's largest independent oil companies, Lasso and Britoil reported interim figures this week. The vagaries of accounting treatments in the oil sector makes profits forecasts particularly imprecise in this sector and both companies came out below market expectations, though after consideration the market decided that Britoil had actually done rather well.

Lasso came in first on Tuesday with net income down 19 per cent at £17.8m, against an expected figure nearer £20m. The size of exploration write-off at £24.3m was much higher than anticipated. It included costs from previous years as well as the current one and far out-weighted the £10.6m profit which Lasso received from the re-determination of its stake in the Ninian oil field, thus depressing the net income figure. Exploration write-offs will be much lower in the second half, no more than £6m. With a flat production outlook for the next six months, Lasso is un-

likely to match the half-year income at the year end. It must wait until next year before the benefits of exploration in Indonesia come through.

Britoil's performance proved to be much more heartening on Thursday, once the market recovered from the surprise of the £53.2m net income figure when it had expected over £60m. The missing millions were found in a separate charge for unrealised foreign exchange losses on dollar liabilities and an exceptional item covering the interest cost of the Ninian field determination. Added together they brought underlying net earnings up to nearly £70m, comfortably ahead of expectations, and enough to spur the share price on several pence.

Both companies have got periods of heavy capital expenditure ahead, although Lasso is further down the path of diversification from the North Sea than Britoil. Britoil, partly for this reason, stands at a much larger discount. Its discount stands at about 30 per cent of net assets. Both companies have benefited more from an improvement in the sterling value of oil revenues than any significant increase in volumes.

BSR gains ground

That the reconstructed BSR announced its first set of figures since the March reconstruction from Hong Kong was entirely appropriate. The Far East now holds the key to the company's future and, in financial terms, BSR has already travelled the distance from Birmingham to Kowloon.

This time last year, despite optimistic noises from the then chairman, BSR's trading prospects were bleak and its balance sheet was in chronic condition. Since then, Mr Bill Wyllie, the new chairman, has wrought dramatic changes on both fronts. With the help of a heavy rights issue and new share subscription, net debt has been brought down from 130 per cent of shareholders' funds at the year end to roughly 30 per cent now. And the structure of borrowings has been shifted decisively towards longer maturities.

The trading performance has been improved by a vigorous attack on underperforming assets. The Capetronic operation in Chicago was eventually closed, albeit at a cost of £1m above the group's earlier prin-

MARKET HIGHLIGHTS OF THE WEEK

| | Price | Change | 1983 | 1983 | |
|-----------------------|-------|---------|-------|-------|-----------------------------------|
| | Y'day | on week | High | Low | Technical setback |
| F.T. Ind. Ord. Index | 722.1 | -13.6 | 740.4 | 598.4 | Awaiting drilling report |
| Atlantic Resources | 340 | +125 | 615 | 35 | Strong interim profits recovery |
| BSR | 180 | +15 | 180 | 55 | Profit-taking |
| Bowater | 215 | -26 | 245 | 153 | Speculative demand/results seen |
| Clay (Richard) | 87 | +16 | 89 | 63 | Excellent interim results |
| Copydex | 105 | +42 | 105 | 38 | Disappointing interim figs. |
| De Beers Deft. | 638 | -45 | 700 | 382 | Profit-taking |
| Glaxo | 795 | -65 | 990 | 625 | No tax on Australian gold mines |
| Gold Mines Kalgoorli | 705 | +65 | 810 | 500 | Broker's visit |
| Hepworth (J.) | 185 | -17 | 195 | 106 | London Brick decides against bid |
| Istock Johnsen | 152 | -11 | 171 | 67 | Disappointing int. figs. |
| LASMO | 350 | -35 | 397 | 223 | Bid hopes |
| Miss World Group | 170 | +30 | 173 | 110 | Good half-year results |
| Nova Ind. | 4208 | +18 | 4215 | 4133 | Rights issue/bid for Spring Grove |
| Pritchard Services | 131 | -15 | 172 | 131 | Shareholding changes hands |
| Rivlin (L. D. and S.) | 75 | +25 | 75 | 27 | Profit-taking |
| TACE | 148 | -18 | 170 | 21 | Tighter controls on asbestos |
| Turner and Newall | 60 | -8 | 71 | 24 | Bid situation |
| Waddington (John) | 270 | +23 | 280 | 68 | Speculative buying |
| Whim Creek | 180 | +22 | 182 | 53 | |

vision, while that subsidiary's Far East operations were shifted away from audio to higher technology production. Mr Wyllie's team still has plenty of ground to cover, particularly in reorganising the UK industrial operations, but as the chairman put it this week—the group is no longer fighting forest fires, just local flare-ups.

The fire-engine has been BSR's Astec division, which enjoys a record order book for its computer components, and has been generating some of the cash to finance reorganisations elsewhere. Astec contributed effectively all the £5.6m of operating profits reported for the half year to June.

After a much reduced interest charge, pre-tax profits were £6.2m, which compares with a loss of £17.4m at the same level for the whole of last year. The shares, which have raced up from a low point of about 48p to 175p, are discounting profits for the full year in excess of £20m.

DoT investigates

John Griffiths QC faces what Sherlock Holmes might have called three pipe problems. Mr Griffiths is the inspector appointed by the Department of Trade and Industry this week to open up the House of Fraser share register and discover who are the true owners of the shares and whether mystery shareholdings are acting in concert with Lonrho in its battle for influence over the stores group.

The Government decided to intervene following the presentation of confidential information to its Trade and Industry Department by Fraser which had outlined significant movements in the blocks of shares and expressed concern that these shares might act in concert with Lonrho.

In that event Lonrho might be in breach of its undertakings given to the DTI that it would not increase its stake above its present level of 28.99 per cent. Fraser are under pressure. The narrowness of recent votes at the extraordinary general meetings called by Lonrho on the issue of floating off of Harrods have encouraged speculators to pile into the shares in the hope that they eventually hold the balance of the shareholding. Lonrho and Fraser are under pressure.

These new investors, who include Bahamas-based multi-millionaire Jack Hayward, who is now reckoned to hold a near 2 per cent stake after this week's buying, seem to form a Lonrho "fan club." If all the past and present fans of Lonrho in the market for influence over Fraser show their support is constant at the next confrontation then Lonrho, with its own commanding stake, will enter a future fight with something like 40 per cent of the Fraser shareholders' voting power behind it.

Small wonder that the Fraser shares have been under a deadlock in sight, a possible demer-

ger of Harrods, and a flurry of bid interest.

Figures flatter

Blue Circle's interim results published on Thursday caught the stock market on the hop. The announcement of £48.2m pretax profits initially sent Blue Circle's share price bounding up from 445p to 470p before the market realised that the better-than-expected results flattered to deceive.

After more considered judgment the share price fell back sharply to close 22p down on the day at 423p.

The confusion was brought about by a change in Blue Circle's depreciation policy (to bring the group into line with the 1981 Companies Act) which meant that first-half profits would have been 19.9m lower if the figures had been treated on a strictly comparable basis.

Blue Circle does not have too much to cheer about at present. The recovery in UK building activity has affected areas like housing and home improvement while heavy cement users, like civil engineering, remain deeply in recession.

Blue Circle has suffered most overseas, and earnings from Mexico and Chile are savagely down on the levels of two years ago. Given that the UK market is likely to remain dull for some time the group's fortunes remain heavily linked to oil prices and the effect these weeks to come. Indeed, as E. F. Hutton points out, levels of bond yields at present—up from

Sideways shuffle

NEW YORK

TERRY DODSWORTH

THE WALL STREET south-sayers began polishing their crystal balls in earnest early this week in anticipation of the mid-week Federal Reserve Board policy meeting.

The board deliberated, as usual, with all the openness of a Vatican conclave, and duly caught the market napping a day later with a sharp little nudge to short-term money market rates through the reserve repurchase device. So much for the south-sayers, who had been slipping off in the opposite direction.

The consensus explanation of the Fed's tightening was that rates had been softening a little too quickly for comfort. Fed funds had fallen since the beginning of the week by about a quarter of a percentage point, while yields on both three month Treasury bills and the newly-introduced 12 per cent long bond had also shaded downwards. Only a fortnight ago, the long bond was yielding 12.15 per cent, against 11.53 on Wednesday, and while the drift towards lower rates may say something about long-term inflationary expectations, it has also raised anxieties about going too far too soon in an economy which is already moving along.

Inflationary fears had already received a small jolt on Tuesday with the publication of a slightly higher rise than expected in the consumer price index for July. This was enough to send the equity market down by 10.28 points, thus almost cancelling out the gains on Monday when the previous weekend's encouraging money supply figures had proved satisfactory enough to bring buyers back into the market and push the Dow Jones Industrial Average up 9.4 points to 1,203.15.

In the absence of any really strong signals from the bond market, which has tended to make the running for equities since the plunge in interest rates was checked earlier in the summer, the index continued to flutter around under the 1,200 mark. While this sideways shuffle is providing a field day for the chartists, few analysts appear to be willing to commit themselves to anything but more of the same for some weeks to come. Indeed, as E. F. Hutton points out, levels of bond yields at present—up from

around 10.5 per cent in mid-April and May—make adequate competition for industrial equities on average current yields of around 4.7 per cent.

Perhaps the most exciting flurry in the equity market came on Tuesday on the announcement of Sansei Tri-State's acceptance of a \$50 a share bid from Mitsubishi Bank of Japan—an offer slightly lower than the terms tabled by Wells Fargo.

AT&T, after a good run a couple of weeks ago, also notched up a few further points over the week, generating a lot of the volume in generally thin market trading conditions. Two items of news pushed the telecommunications giant along—a tentative peace agreement with its strikers, and a Federal Communications Commission decision which effectively increases the price of competitors' access to AT&T's telephone lines.

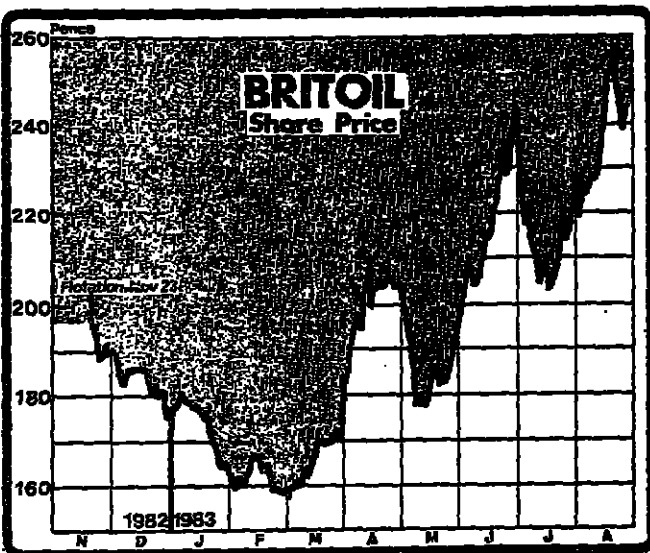
High technology stocks have generally been under pressure over the last few weeks. So AT&T, for the moment at least, is bucking the trend. The other giant in the communications sector's general slippage, however, a distinctly jaundiced newspaper analysis of its prospects following its recent product strategy overhaul was followed by steady pressure on its shares for most of the week.

The clouds over the high technology sector are consistent with the view that the present corrective phase in the bull market which took off a year ago will see some switching away from the stocks which made the initial running.

Analysts are pointing to capital goods, commodity cycles and special situations as likely beneficiaries of the re-adjustment. But the sort-out seems to be proceeding at the leisurely pace appropriate to New York's steady summer.

The trouble is that in heavy industry there is still plenty to worry about. Steel price rises—announced this week—may show a manufacturing base that is re-assembling itself, but industry still has a lot of ground to make up. And International Harvester's initial move to reconstruct its finances for the second time in two years only focuses attention on the fact that there are still some sizeable corporate horror stories around.

MONDAY 1,203.15 + 8.94
TUESDAY 1,192.89 - 10.26
WEDNESDAY 1,184.25 - 8.64
THURSDAY 1,185.06 + 0.81



Looking below the surface

MINING

KENNETH MARSTON

"OUCH!" said the sharemarket on Tuesday when De Beers reported that earnings for the first half of this year had sagged to R223.7m (£130.8m) from R239.1m in the same period of 1982 and rubbed it in with an interim dividend of only 12.5 cents, unchanged from the previous year's halved level.

Much better things had been expected. After all, world sales of rough (uncut) diamonds in the period had risen by 31 per cent in South African rand terms over those of a year ago. And while demand is still concentrated on the smaller and less profitable sector, some of this improvement should have shown up in De Beers' results. In fact, it had. The trouble is that the company's name is synonymous with diamonds and it is thus easy to forget that non-diamond sources also make a substantial contribution to the group's profit figures. Much of this non-diamond contribution is lumped together under the heading "share of retained profits after tax of associated companies."

In essence, it reflects De Beers' major shareholdings in Anglo American Corporation, Anglo American Industrial Corporation and Minerals and Resources Corporation (Minco). All have fallen on more difficult times with the result that their contribution in the latest half-year has dropped to R23.3m from R32.3m. This has offset the rise in De Beers' revenue from diamonds to R138.9m from R108.5m a year ago. As our chart shows, total earnings per share for the latest period have fallen to 66.7 cents from 70.3 cents, but if you take out the associate companies' contribution, the other earnings have risen to 40.7 cents from 28 cents last time.

This may not be much comfort to a shareholder gloomily surveying his small dividend cheque, but it does show that gradual recovery in the diamond market is getting through. Another piece of good news is that the group has reduced its borrowings to R24m from R39m.

A goodly part of these borrowings has been used to finance the group's huge stockpile of unsold diamonds but because the debts have fallen the interest payable has also eased, to R2.1m from R4.6m. And this cost has been matched by a rise in the interest paid to De Beers which comes out at R32m against R32.2m. So the diamond man's burden is not what it was.

Chances are that De Beers' overall earnings will improve to some extent in the current half-year, but full recovery in the diamond market is going to take time. It may be several years before the huge stockpile can be reduced to normal levels.

For this reason, De Beers is unlikely to be in any hurry to restore its total dividend level from last year's 97.5 cents to the 75 cents paid for 1980. The

group can well afford a token increase in this year's final and may do so. In the meantime, however, the shares at 639p to yield only 3.4 per cent look quite high enough.

The current dividend yield of 3.3 per cent at a heavyweight price of 291 offered by shares of Johannesburg Consolidated Investment ("Johnnies") is not much better. It might be justified if the company could be seen to be heading for a good expansion in profits in the current year to next June.

That, however, seems doubtful in view of the fact that the group's major income sources are South African industrial activities: coal, platinum, gold and diamonds. Now that South Africa is in the grip of a full scale recession, according to the Reserve Bank, the outlook for "Johnnies' industrial activities must be viewed with caution.

Then, too, the world coal industry is going through a lean time. Still, platinum seems to be set on a rising course and gold may well follow while diamonds are, at least, over the worst. Meanwhile, "Johnnies' good results for the year to last June, announced this week,

came as a surprise, following the uninspiring performance for the first half.

As it is, earnings for the full year come out at R102.7m against R86.1m for 1981-82. So, where has the extra R16.6m come from? Investment income has risen R6.2m to R7.1m, but the profits of operating subsidiaries have dropped R3.1m to R19.7m. The missing increase of R13.7m (preference dividends required an extra R0.2m) was seen in "other net revenue" of R20.6m.

Just what comprised "other net revenue" and why has it increased so much? No answers are to be found in the latest results from "Johnnies." In the previous year's annual report it is disclosed that "other net revenue" of R6.9m for that period was made up of fees, interest and a profit on a land sale, less expenditure on depreciation.

Presumably the relevant information will also be given in the 1982-83 annual report which is due sometime in October. The pity is that shareholders have to wait so long because such information could have a bearing on this year's results.

Meanwhile, the dividend increase of 50 cents to 850 cents will please holders who include Anglo American Corporation with a stake of 41 per cent.

The Consolidated Gold Fields group's major Australian arm, Renison Goldfields Consolidated (RGC), has moved out of the red with a profit of A\$10m (£5.83m) for the year to June 30 after a loss of A\$10.2m in the previous year. For good measure there is also a final dividend of 10 cents—the interim was omitted—which goes against an interim only of 5 cents for 1981-82.

The latest results include an extraordinary profit of A\$3.35m (against an extraordinary debit previously of A\$3.76m) on the sale of investments. Cost savings and improved efficiency also figure largely.

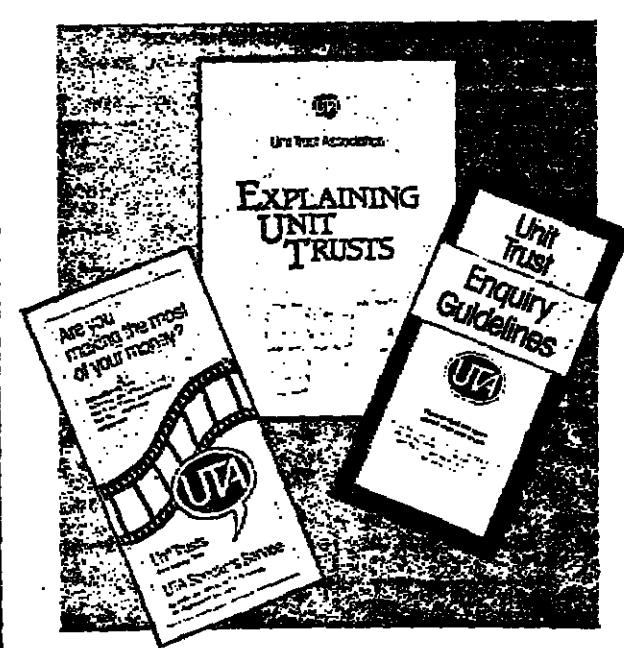
What really matters, however, is the outlook for the current year because the shares are selling on a dividend yield of only 2 per cent. RGC takes hope from the improvement in the U.S. economy and looks for a pick-up in the previously depressed market for mineral made. Better metal prices could also help the copper and gold operations.

But the major asset, the fine Renison tin mine in Tasmania, remains handicapped by the production curbs demanded by the International Tin Agreement. At the same time it would be too much to expect further cost savings of the magnitude achieved by RGC in the past year.

So it is difficult to see the company lifting earnings in the current year to an extent which justifies the 294p share price.

Explaining Unit Trusts

Free publications from the Unit Trust Association which will answer all your questions



Please send me:
☐ Explaining Unit Trusts
☐ UTA Film and Speakers Service leaflet
☐ Details of Unit Trust events in Bristol (18 October 1983), Leeds (27 October 1983) and Manchester (1 November 1983)

Name
Address

To the Unit Trust Association
Park House, 16 Finsbury Circus,
London EC2M 7TP

GOLFLINES INTERNATIONAL LIMITED

Golf Days - Conferences -
Personalised Products

Lively specialist Company will bring Professionalism to your
Golf Days, Conferences or Trips in the UK and abroad, and/or
provide Personalised Products and Prices.

CONSULT THE PROFESSIONALS - FIRST

Send SAE for information to:

Patrick Tallack PGA,
GOLFLINES INTERNATIONAL LIMITED,
15 Hawthorn Road, Ripley, Surrey, GU23 6LS.

U.K. CONVERTIBLE STOCK 22/8/83

Statistics provided by
DARTSTREAM International

| Name and description | Size (km) | Current price | Terms* | Conversion dates | Flat yield | Red yield | Premium† | | Income | | | Cheap (+) Dear (-)‡ | |
|------------------------------|-----------|---------------|--------|------------------|------------|-----------|----------|---------|--------|-------|-------|---------------------|--|
| | | | | | | | Current | Range‡ | Equi | Conv‡ | Div‡ | Current | |
| British Land 12pc Cv 2002 | 9.90 | 292.50 | 333.3 | 80-97 | 4.2 | 1.1 | 2.0 | -4 to 8 | 28.8 | 84.9 | 19.8 | +17.5 | |
| Hudson Trust 9pc Cv 01-06 | 81.54 | 234.50 | 107.1 | 85-01 | 4.2 | 1.5 | -2.7 | -8 to 1 | 104.0 | 75.6 | -11.3 | -9.0 | |
| Slough Estates 10pc Cv 87-90 | 3.03 | 219.80 | 234.4 | 78-84 | 4.6 | - | -8.3 | -9 to 2 | 10.6 | 4.8 | -2.4 | +3.8 | |
| Slough Estates 8pc Cv 91-94 | 24.72 | 106.00 | 97.5 | 80-88 | 7.6 | 7.2 | 8.6 | 4 to 14 | 21.2 | 27.9 | 6.7 | +0.1 | |

* Number of ordinary shares into which £100 nominal of convertible stock is convertible. † The extra cost of investment in convertible expressed as per cent of the cost of the equity in the convertible stock. ‡ Three-month range. † Income on number of ordinary shares into which £100 nominal of convertible stock is convertible. ‡ Income expressed in pence, summed from present time until income on ordinary shares is greater than income on £100 nominal of convertible or the final conversion date whichever is earlier. Income is assumed to grow at 10 per cent per annum. ‡ This is income of the convertible less income of the underlying equity expressed as per cent of the value of the underlying equity. ‡ The difference between the premium and income difference expressed as per cent of the value of the underlying equity. ‡ This is an indication of relative cheapness. ‡ This is an indication of relative dearth. ‡ Second date is assumed date of conversion. This is not necessarily the last date of conversion.

SOUTH AFRICAN AIRWAYS-SHARE OUR WORLD!

YOUR SAVINGS AND INVESTMENTS-2

The City bears emerge

With the stock market touching an all-time high this week before dropping sharply, CLIVE WOLMAN asks City forecasters if now is the time to sell

THE BEARS have a habit of lurking in the undergrowth and pouncing just when you least expect them.

There you are sunning yourself on the beach, mentally flicking through your share and unit trust portfolio and purring with satisfaction.

All your stocks are coming up nicely—you'll just hold on a little longer and sell out at a hefty profit.

Then suddenly down goes the market. You get on to your broker but he tells you there's no need to worry, just switch a few stocks here and there. Then you delay again to calculate how to avoid paying tax on your diminishing capital gains. By the time you finally get rid of the wretched stocks, most of your profits have been wiped out.

Three things happened over

the last week to make small investors nervous about whether the bull market, which has taken the FT 30-share index up from a low of 437.5 in September 1981 to 740, is about to go into reverse.

First the FT Index, after reaching a record high of 740.4 on Monday, fell back by 18.4 points on Tuesday, the biggest one-day fall for two years, and ended the week down at 722 points.

Then there were a couple of gloomy forecasts. One, from the National Institute of Economic and Social Research, said that the recovery was going to peter out next year. One of the founding fathers of British economic forecasting, James Morrell, stirred up further anxiety.

Most forecasters like to wrap up their predictions in esoteric let-out clauses. But after 28 years of forecasting, 60-year-old Morrell doesn't believe in pulling his punches.

Although he was the founder of the Henley Forecasting Centre, he is now attached to insurance broker and licensed security dealer Towry Law. So his forecasts have a lot of influence with small private investors.

From his sick bed in the Barbican last weekend, Morrell sent out a booklet to his clients saying, "We are near the end of the bull market in (UK) equities. . . . We recommend the entire portfolio be invested overseas."

The other straw in the wind this week, for some people, was that booming unit trust sales in July, one of the best indicators of the involvement of small investors in the UK stock market, pushed up funds under management to an all-time high.

The inflow of funds which slowed down before the election is gathering pace again, to approach levels not achieved (in inflation-adjusted terms) since the 1972 bull market.

That is enough to get many City folk nervous. For the cynical belief that it is the eternal fate of the little man to pile in at the top of the market carries weight in the Square Mile.

"You can be sure trouble's on the way when unit trust sales reach their peak," said one po-faced director of a leading merchant bank. "When the C1s and C2s start coming in, it's time for us to get out." He even produced statistics to

prove his point (see graph).

The theory is simple: to give share prices a final boost before they turn round and scramble all the way down again, money has to be drummed up from a new source.

The largest remaining source of new money has become the small investor who, according to the folklore, gets to hear the good news about the stock market only when there is no more money to be made. And with the unit-linked life assurance salesmen scouring the council estates in the wake of the Labour Party canvassers, the City cynics now believe the barrel is being scraped.

City economists pour scorn on such primitive entrail-examination. But many agree, in a more guarded form, with James Morrell.

Morrell's outlook is based on the view that cycles of economic activity will be with us for a long time to come.

The best clues as to when the cycle is reaching its peak are to be found by looking at nominal interest rates. These will shortly be going up, he believes, as the only way to choke off a rising demand for credit.

Michael Hughes, an economist at stockbrokers De Zoete and Bevan, is also watching interest rates closely. "We are at the stage in the cycle when people expect interest rates to rise,"

he said. "The best of the run has been seen. We are now in a period of consolidation."

The stocks to be wary of, he believes, are the smaller companies quoted on the Unlisted Securities Market. "Some of their prices are ridiculously high," he said. But even if the market dips, he doesn't expect any general slump in prices.

According to Kenneth Inglis, head of equity research at stockbrokers Phillips and Drew, "the usual run of bull markets is for 15 to 25 months and this one has been going for 23 months already."

Share prices, he calculates, are on average nearly 14 times the prospective 1983 earnings per share (after deducting 52 per cent tax).

This is higher than the average multiple of 10 times earnings between 1975 and 1982. But it is still less than the multiple of 16 during the last major bull market from 1971 to 1973.

George Dennis, head of the Post Office pension fund, is concerned about the prospects for economic recovery.

The companies he thinks are still worth buying are those which earn most of their profits overseas.

Bill Bain of stockbrokers Wood Mackenzie is one of the most pessimistic of market analysts. "The market is looking expensive," he said. "Most

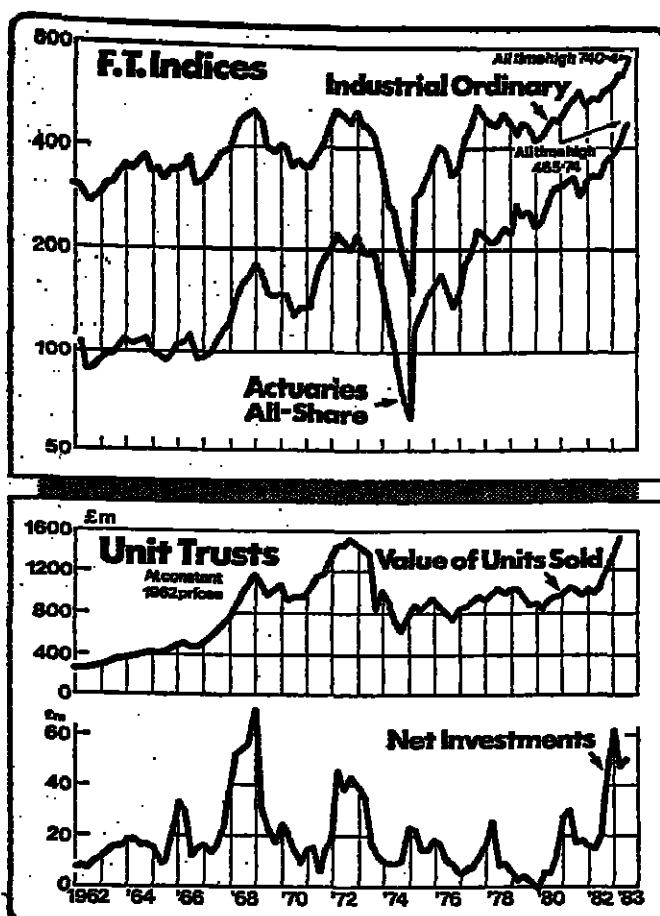
of the recent improvement has come from dubious recovery stocks. The market leaders have been struggling."

There may have been a recent upsurge of interest in the stock market from private investors. But he believes they are still selling more shares than they are buying, as they have been for the past 30 years. Most of the extra money which has recently boosted the market has come from overseas, he says.

None of this means that you have to phone your stockbroker on Monday morning and sell everything. Not everyone with influence is a bear. They can't be. There must be a similar number of optimists to balance the pessimists, otherwise there would be no buyers to match the sellers.

And even if, suddenly, there were no more optimists around, it wouldn't help you. Suppose one morning all the market analysts woke up and leapt to the same conclusion, that the market was too high. The institutions would rush in and dump their stocks on the market sending prices helter-skeltering before you could get beyond your stockbroker's telephonist.

Meanwhile, however, there are still sufficient optimists around to give you plausible reasons for holding onto your stocks—provided you've got strong nerves.



How the bookies can protect your capital

An unconventional, but cheap and tax-efficient, way of protecting yourself against a slump in share prices

EVEN IF you're growing nervous about the UK stock market, the costs of liquidating your share and unit trust portfolio remain high, particularly if the market resumes its upward trend after taking a breather and you decide to buy back your investments.

There are brokers' commissions, jobbers' turns, unit trust bid-offer spreads and stamp duties to be paid. Worst of all, the investor who sells and buys back later may also crystallise a major liability to capital gains tax.

There is an alternative to selling off your share portfolio in a period of jitters—and that is to hedge it. The upsurge in

popularity of the traded options and financial futures markets before the election indicates two ways in which investments may be hedged.

But for the individual share or unit-holder, normally the simplest and most tax efficient method of hedging is by taking a down-bet on the FT 30-share index.

The two bookmaking firms which take bets on the FT index are Ladbroke's (telephone 01-493-5261) and the I.G. Index, based in Grosvenor Gardens, London (01-828-5699). But placing a bet on a financial index is not like betting on a horse—there is no winner or loser. All you can do is bet whether the index will go up or go down. You define your stake by saying how much money you will wager for each one-point movement.

For example, if you take a down-bet on the FT index and it has fallen five points by the

date on which the bet is automated, you will make a profit of £50. If the index has gone up by five points, you will lose £50. Punters currently have a choice of two closing dates, the end of September or the end of December. But you can close your bet earlier by telephoning, if you want to cut your losses or get out while you're ahead—otherwise your liability is unlimited.

The sums are more complex if you are taking a bet in order to hedge the risks of owning shares. Suppose you own a diversified portfolio of UK shares, held either directly or through unit trusts or investment trusts, which the market values at £21,000 when the FT index stands at 700. A one-point fall in the index will on average knock off approximately £30 from the value of your portfolio. To hedge against this risk, so that you don't lose if

your share prices fall, you make a down-bet of £30 a point on the FT-index.

If by the end of next month, the FT-index has fallen to 650 and the value of your portfolio by a similar proportion to £19,500, you will make a betting profit of close to £1,500, enough to offset your portfolio loss.

By contrast, if the FT index rises 50 points to 750 by the end of September, you will make a betting loss of about £1,500. But your shares will have risen in value by about £1,500—provided that they have gone up in line with the FT-index, which is a reasonably accurate, although imperfect, measure of the market over the short-term.

There is a price to be paid for this insurance policy, which is represented by the "spread of prices" quoted to you by the bookmakers, rather like a jobber's turn. If the index stands at 700, the quotation will possibly be "697 to 702". If you take a down-bet, you only start making a profit when the index falls below 697. For an up-bet the index has to rise above 702. This spread covers the bookmaker's administrative costs and betting tax.

Bets may normally be opened by making a telephone call. The I.G. Index requires that a deposit be sent immediately to cover 5 per cent of the maximum theoretical loss on an up-bet. Ladbroke's, however, does not require any deposit, if you can provide a satisfactory bank reference.

One of the attractions of betting on economic indices is that any profits you make are free of tax. By contrast, hedging profits made from the use of traded options, or put options, are liable to capital gains tax. But the converse is also true: any losses suffered through the fall in the price of an option may be used to reduce a liability to CGT—but not with betting.

The I.G. Index offers the possibility of hedging against other economic risks. One of these is the possibility of a rising pound which would reduce the value of a portfolio of, say, U.S. equities. To hedge against this risk, an up-bet may be taken on the sterling-dollar rate.

Another risk is that of a rise in interest rates or a fall in the price of conventional gilt-edged securities. Gilt-holders may also hedge against this risk by placing with the I.G. Index a down-bet on the 20-year 12 per cent gilt-edged futures contract which is traded on the London International Financial



That's £75 on Shearwalk and £500 on ICL.

Futures Exchange. Far smaller amounts can be hedged by betting, than by the use of financial futures.

Investors who hold shares mainly in one or two sectors, for example oils or electricals,

can no longer open a bet to hedge against the risks of their particular sector. Such a service was offered by a Leamington Spa company, the Futures Index. But its owner, a Mr Keith Hunt, did not stick

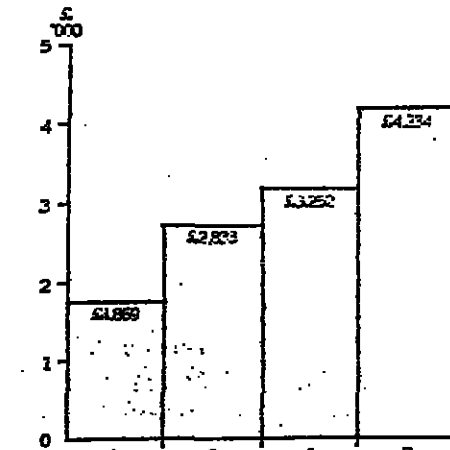
around to reap the benefits of the current jitters. Since mid-April he has been missing, as has about £10m of his clients' money—and the Futures Index is now in liquidation.

Clive Wolman

Arbuthnot Smaller Companies Fund

Arbuthnot Smaller Companies Fund aims to provide consistent long-term capital growth by investing in selected smaller UK and overseas companies which are considered to have above average growth potential.

Since launch in 1970 we have achieved outstanding results:-



£1,000 invested over 1, 3, 5 and 7 years to 1st August, 1983. Offer to offer, income reinvested.*

It was expected that the world economic recovery would affect a broad range of industry and commerce, whereas, in fact, the recovery signs are distinctly patchy.

Companies gaining most ground at the present time are noticeably the small companies which are able and willing to adapt their businesses to suit the modern world—small companies in the electronics and construction sectors for example, which are well represented in Arbuthnot's Smaller Companies Fund. And the performance of the Fund bears this out.

So to benefit most from the economic recovery which is only just beginning you should invest in a well managed, successful unit trust specialising in small companies selected for their growth potential.

To invest, simply fill in the application form below and send it, with your cheque, to Arbuthnot Securities Limited.

Remember the price of units and the income from them can go down as well as up.

*Source: Planned Savings.

Smaller Companies Fund

Arbuthnot Securities Limited, 37 Queen Street, London EC4R 1BY or phone 01-236 5281.

I wish to invest £ (min £500) in Arbuthnot Smaller Companies Fund at the price ruling on receipt, and enclose a cheque payable to Arbuthnot Securities Limited.

☐ Tick box for reinvestment of income.

Please send me details of: ☐ Monthly Savings Plan ☐ Arbuthnot's range of Unit Trusts

Surname(s) Mr/Ms/Miss _____

Forenames _____

Address(es) _____

Signature(s) _____

(Joint applicants all must sign)

Date _____

FT 278

ARBUTHNOT
The Unit Trust People



NEW COMPANY IN LARGEST-EVER UNIT LAUNCH

Scottish Unit Managers make £60m debut

ON 22ND AUGUST four new unit trusts, in total worth £60m, were created at a stroke. It was a record. And just as remarkable, they came from a company that was as new as they were: Scottish Unit Managers.

SUM as people will obviously call us, may be new, but there is nothing of the novice about us. Our parents are Martin Currie, founded in 1881, and British Linen Fund Managers—part of British Linen Bank which goes back to 1746.

Martin Currie manages over £500m of assets—for investment trust companies, charities, and pension funds. It also manages a general unit trust that stands sixth in *The Times* list of growth units: no mean ranking. British Linen is the Bank of Scotland's merchant bank, and their Fund Managers handle over £250m of investments.

The four new unit trusts were created from the liquidation of two successful investment trust companies. Their former advisers sit on our board. So, more than merely experience, SUM can claim continuity. We also lay claim (beyond any dispute) to belonging to the tough-minded, detached, and objective tradition of finance management that has always flourished north of the border, and has always sought investment opportunities well beyond our shores, particularly in North America and the Far East. Martin Currie has been investing in North America for their clients since 1920.

On Thursday next the units will be publicly offered for sale. But send the coupon NOW for a folder containing fact sheets about the units, applications for buying them, and a profile of our company.

SCOTTISH PACIFIC FUND

The Far East, poised for rapid economic growth, lends itself perfectly to Scottish Pacific's investment aim of capital growth. In Japan we expect corporate profits to climb sharply: by up to 40 per cent in the half year to March 1984, compared with the previous half year. We also expect the Japanese government to bow to pressure and stimulate the domestic economy by actually encouraging imports.

The rebound in Hong Kong promises to be euphoric. GNP this year is on course for 6 per cent growth, and any sensible solution to the lease question should trigger a bull market. Meanwhile, Malaysian growth seems secured by the steady development of the country's infrastructure.

SCOTTISH NORTH AMERICAN FUND

Scottish North American is a growth fund, taking advantage of the strong performance of (mostly) smaller companies in the world's largest and richest market.

Office equipment, defence technology, health care, specialist retailing, and financial services are typical of the sectors for investment.

We expect occasionally to be in energy, in thrusting private companies going public, and in larger companies on the brink of the recovery that is gaining momentum in the economy as a whole.

USA will normally account for at least 90 per cent of the portfolio, but we shall also look for growth in Canada, where mines, energy, and timber look especially dynamic.

SCOTTISH WORLD GROWTH FUND

As its name implies, Scottish World Growth is free to seek out opportunities for capital growth without geographical constraint, or confinement to any particular sector.

We will invest mainly in the major markets—in USA, Japan, and the UK, and our strategy will be to go for equities whose prospects seem outstanding.

Our tactics, however, will be swift and opportunistic, in anticipation of changes in local economic climates and in the strengths of international currencies.

Because capital growth is paramount in the objectives of Scottish World Growth units, yields will probably be low.

SCOTTISH INCOME FUND

Lower rates of personal taxation make income funds attractive to many private investors: but yields have steadily fallen as the share prices have risen on the world's stockmarkets. This fund aims at high yields, notwithstanding those prices.

Specifically, we aim at a 6.5 per cent yield in this first year, which would beat the FT All Share Index yield by some 40 per cent, and advance to higher distributions in later years.

Although income is the objective (we shall make quarterly distributions), we expect to achieve capital growth as well.

The portfolio will be primarily orientated to equities but international bonds may be held from time to time.

To: Scottish Unit Managers Limited, 29 Charlotte Square, Edinburgh EH2 4HA. Telephone: 031-225 3811/226 4372. Please send me your folder on Scottish Unit Managers, the fact sheets on the four new unit trusts named here, and an application form for purchasing them.

Name _____

Address _____

SCOTTISH
UNIT
MANAGERS

[illegible]

LEISURE

Lawns too much in the Sun

A GLORIOUS summer for holiday makers has left some very tired looking lawns that are going to need a lot of coaxing back into healthy life this autumn. Where water has been freely available the problems are less obvious but watering is seldom a complete substitute for rain. For one thing, rain water contains chemicals that are not always beneficial to plants and also it always seems to me that watering, however well done, results in more leaching of plant foods than normal rainfall. Probably it has something to do with the relatively fast rate at which the water is applied, which has a scorching effect on the surface from the slow damping of gentle rain. But whatever the explanation the fact is that the soil rendered temporarily deficient in some essential nutrients, particularly readily available nitrogen. It is nitrogen that really controls the rate of growth and greenness of grass.

Since all plants only take chemicals from the soil in solution, it is no use applying fertilisers unless there is enough water to dissolve them and carry them down to the roots. Without this the fertiliser will remain on the surface, probably drying out before it is dissolved. If there is just enough dew or light rain to dissolve it without proper watering, so if no means of watering is available, no fertiliser should be given until the weather looks set to give plenty of rain.

Even then I would prefer to

GARDENING

ARTHUR HELLIER

deal in half doses, say 2 oz per square yard of a 7-7-7 fertiliser such as Growmore rather than the recommended 3-4 oz, and not to give the second half until there has been three or four inches of rain. Similar considerations apply to lawns that can be watered and since many sprinklers deliver water at the rate of about 1 in per hour, that means six or eight hours, watering not all at one time or much of it will run

It is no use applying fertilisers unless there is enough water to dissolve them and carry them down to the roots. Without this they will remain on the surface.

away from the surface before a second application of fertiliser can be given with safety. Someone is sure to point out that it is generally regarded as best to apply nitrogen-rich fertilisers to lawns after mid-August because of the probability that they will produce soft growth in autumn which will fall victim to snow mould or other cold weather fungal diseases. There is truth in that, which is one reason why I have suggested a well balanced fertiliser of the Growmore type

rather than the kind of high nitrogen fertiliser commonly recommended for lawns. But I think the "no nitrogen after mid-August" dictum applies more to professionally managed turf which has enjoyed a fairly high rate of feeding throughout than to home lawns which often get badly starved. I also think the stopping date of mid-August is over cautious. My experience is that, given reasonable rainfall or watering, the effect of a soluble fertiliser is lost in from six to eight weeks so that no lawn fed with such a fertiliser in mid-August could be expected to go on producing lush growth after mid-October. Weather rarely becomes sufficiently severe to pose

any threat to grass until late December which leaves two full months for growth so harden up and become reasonably resistant to winter-active fungi. I doubt that so long a period of ripening is essential. One difficulty when lawns have become really dry is to stop water running off the surface. Spiking or perforating will overcome this but are almost impossible to carry out effectively until the soil is moist, so one is caught in a dilemma. The solution must usually be to wait

until at least the top inch of soil is moist and then spike or perforate to let the water get in deeper as quickly as possible. I have been very impressed by the way in which rye grass lawns have withstood the heat when mown twice a week. Rye grass is considered very inferior for lawn making and only to be included in the cheapest mixtures. This has changed completely with the introduction of rye grasses selected solely for their turf making qualities and not for agricultural purposes. I have been using one such selection named Hunter for some time and this year it kept growing when all the fine grasses had stopped. It is much shorter and more branching than ordinary perennial rye grass and it makes an excellent close knit lawn ideal for purely visual effects though not suitable for the very true playing surfaces required for bowling or putting or croquet.

However, this summer I have seen an even better rye grass named Elke which has narrower leaves than Hunter, is even shorter and more spreading and yet retains its colour in dry weather just as well. It is a relatively new variety of Dutch origin and it seems unlikely that there will be enough stocks of seed for it to be generally available until 1985 but it is certainly a grass to take note of and try when it does come on the market. Meanwhile, Hunter is good enough to be getting on with.

Casting in a cat's cradle of confusion

WHEN I STARTED salmon fishing I had little idea of casting either fly or bait. My line was twisted round me every so often in a cat's cradle of confusion. I hooked my bottom, my back, even my ear on one occasion, to say nothing of every bush and tree within range. And yet, the astounding used to happen, sometimes I hooked a fish. Over the years, thanks to observing the experts and constant practice - off the river for the most part - my technique improved. I can now cast a long straight line and control the movements of the fly in the current in the most tempting manner.

But the better my technique the fewer fish I seem to be able to catch. I did hook a salmon on the fly on my excursion to Scotland this June, but after raising my hopes, almost to the mouth of the net, he called off, and I never touched another fish for the rest of the fortnight. I should say that I hooked him

on the third cast of the holiday. I have had two fish on the Wye, both on a Devon Minnow, coloured water and that is the total so far.

A friend who returned to the Scottish river three weeks later came across a great run of fish and had some good luck. But there hangs a tale and a moral. The river, the Shiel, has recently had two good runs of summer fish, grilse, and this is believed to have been due to the fact that the Loch Shiel fish escapes from a salmon farm established there. This proved conclusively that, provided the riparian owners could be induced to overstock the head waters of their rivers with bait and even in this case, there would be a chance that a proportion of the fish that went to sea would return.

This has, of course, been accepted wisdom for a long time and some owners and local boards do stock their waters. But it is a thankless task because

benefit of wealthy anglers, commercial fishers and foreigners. A fish could be made to induce them to change their minds. It's evident that letting and selling Wye fishing is becoming increasingly difficult and this will become more so, I believe, as catches continue to stagnate or fall further. This could reduce the value of the fishing beats and consequently the rates that could be levied. There could also be pressure from hotel and other interests who benefit from the money spent by those who indulge in the sport. It is also essential for the river authorities to have enough resources to employ bailiffs to control poaching, which is very serious in some parts.

This is nothing new. The Atlantic Salmon Trust and others have been waging a campaign for a long time but are making no headway at all because in the eyes of the public salmon fishing is for the most part the

exclusive sport of the better off. Most country men know who the poachers are, and even the famed mobile gangs could not operate without local support and intelligence.

The only way to get universal support to a change in policy would be to open the rivers to everyone who bought a licence and to control the river and estuary nets and the offshore drift nets as well. Otherwise I don't believe there will be any salmon fishing in my grandchildren's days. No doubt it will be of some satisfaction to the League against Cruel Sports.

Meanwhile I am looking for some way in which my perfected skills in casting and so on can be exercised, rather than the lines of clay pigeon shooting.

FISHING

JOHN CHERRINGTON

after the notorious depredations of the Greenlanders and Furoese, there are the drift netters and estuarine nets, to say nothing of the poachers who are very strong, particularly on the Welsh rivers.

It is largely a question of money. Hatching and rearing salmon parr is an expensive business. The river authorities do hatch some but, as in the case of the Welsh River Authority, they are dependent on the licence fees. Riparian owners pay heavy rates on their fisheries but these go to the local authority for general purposes and none of these bodies wishes to lose money for the

benefit of wealthy anglers, commercial fishers and foreigners. A fish could be made to induce them to change their minds. It's evident that letting and selling Wye fishing is becoming increasingly difficult and this will become more so, I believe, as catches continue to stagnate or fall further. This could reduce the value of the fishing beats and consequently the rates that could be levied. There could also be pressure from hotel and other interests who benefit from the money spent by those who indulge in the sport. It is also essential for the river authorities to have enough resources to employ bailiffs to control poaching, which is very serious in some parts.

This is nothing new. The Atlantic Salmon Trust and others have been waging a campaign for a long time but are making no headway at all because in the eyes of the public salmon fishing is for the most part the

CHESS

LEONARD BARDEN

JONATHAN MESTEL won his second British title last week, unbeaten in the Grieson Grant Congress at Southport. Mestel, youngest-ever champion at age 19 in 1976, was favourite after his individual gold medal at this summer's European final and played with the style and assurance of a true grandmaster. It was a formbook result since Murray Chandler, the runner-up, had only just won the GM title at Amsterdam.

Final leading scores at Southport were Mestel 8/14 out of 14, Chandler 8, Botterill, Hodgson, Johansen and Rogers (both Australia), Markin active with 7/14, Bradbury, Cummings, Hobden, Horner and Lawton 7, Barua (India) and Speelman 6/14.

Stockbrokers Grieson Grant, who have sponsored the championship since 1978, provide backing at a level which few if any national chess championships can match as well as taking a lively interest in the games. Without their support and that of Phillips and Drew, it is hard to conceive of British results could have improved so rapidly in recent years. Prizes at Southport went down to 15th place, and another imaginative concept by managing partner John Brew was to

encourage entries from leading Commonwealth experts.

The Grieson Grant plan was to increase the tournament's status and enable British players to qualify for highly regarded international master titles. In the event there were four IM performances, all by competitors with few chances in top-world chess, so the decision was well justified. But at one stage the Commonwealth contingent promised a major surprise: at half-way Thipsay of India led Devlin, two more Indians and Johansen of Australia in pursuit. An international playoff looked possible until the experience of Mestel and Chandler told in the final rounds.

Significantly, three of Mestel's six wins came with the black pieces in the Dragon variation of the Sicilian Defence. He has specialised in the Dragon (so called because the outline of Black's pawns formation resembles the mythical beast) since he was a schoolboy and is a recognised world expert in its complexities. Whence it is sensible to vary your repertoire. Mestel's White in-depth knowledge of a single line pays off as Black.

Mestel's Dragon skill induced all his Southport opponents to avoid a well-established attacking line for White and go for offbeat systems which proved inferior. This week's game was a turning-point of the championship, played when Thipsay shared the lead with Mestel four rounds from the end.

WHITE: P. Thipsay. BLACK: A. J. Mestel. Sicilian Defence (Grieson Grant British Championship 1983).

The opening moves were: 1 P-K4, P-QB4; 2 N-KB3, P-Q3; 3 P-Q4, P x P; 4 N x P, N-KB3; 5 N-QB3, P-KN3; 6 B-K3, B-N2; 7 B-K2, O-O; 8 C-O, P-QR3.

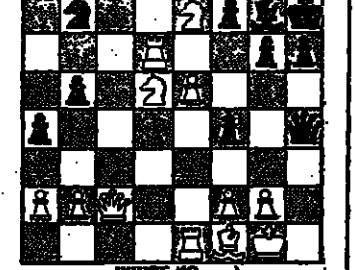
Unusual compared with 8... N-B3; Mestel plans an early Q-side pawn advance. 9 P-B4, Q-B2; 10 Q-Q2. Already too passive; best is 10 P-KN4 followed by P-B5 and P-N5 to attack the king and gain central squares for White's knights.

10... Q-N2; 11 K-R1, N-N3! Exploiting the lapse: now White has to regroup and lose time to keep his attacking bishop pair. 12 Q-Q3, Q-Q2; 13 Q-R1, Q-R1; 14 P-B5, N-B5; 15 B-B1, P-QN4; 16 Q-N3, Q-B4; 17 Q-R4, K-R-K1.

Preparing to meet B-KR6 by B-KR1, White now simplifies things, but 18 P-QR3 (to stop P-N5) is countered by N-RP. 18 P x P, B-P x P; 19 N-Q6, N-KN; 20 P x N, B-KR3; 21 Q-K4, N-N3. Further increasing the pressure: both White's QP and QB are threatened. 22 N-N3, O x B-P; 23 B-O3, Q-R2; 24 R-R3, N-B5; 25 R-N4, N-K4; 26 B-KB4, N x P; 27 R(N3) x N?

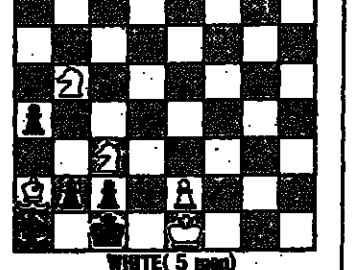
A blunder brings an abrupt end, but if the cage or the other rook captures Black has Q-B7 or B x N-P when his extra pawn(s) will tell. 27... B-B4; 28 Resigns. Continuing the exchange and a pawn down to a grandmaster is pointless.

POSITION No. 479
BLACK (33 moves)
WHITE (22 moves)



D. Cummings v. J. Hebert, Grieson Grant British Championship 1983. White (to move) sacrificed a pawn to reach this attacking position; how did he force a quick win?

PROBLEM No. 479
BLACK (5 moves)
WHITE (5 moves)



White mates in three moves, against any defence (by Dr A. Kraemer). With a black pawn poised to promote (not necessarily to queen) this puzzle requires a drastic white key move to win the day.

Solutions, Page 12

BRIDGE

E. P. C. COTTER

HERE are two hands from rubber bridge, which teach valuable lessons. Look first at the Entry-making Advanced Finesse:

N
Q9
10962
765
QJ82
W
J10875
74
K109
1082
E
5432
J853
Q2
K73
S
AK
AKQ
AJ843
A85

South opened the bidding with two clubs, North gave the negative response of two diamonds, South jumped to three no trumps on his 25 high card points, and all passed.

West led the spade Knave. East dropped the six, and South surveyed the position. He had seven top tricks, an eighth was quickly established by attacking the club. The ninth might be found in hearts if the suit broke 3-3. Declarer cashed his three hearts, but East turned up with the guarded Knave. He then turned his attention to clubs. He played Ace and another club, putting up dummy's Knave, but East naturally withheld his King, and the contract failed by one trick.

South should have looked more deeply into the position. It was clear that either defender with a well-guarded King of clubs would withhold it for one round. There was one chance to play a low club and induce dummy's eight, playing West for the 10 and East for the King. As the cards are so placed, there

is nothing that East can do. If he wins, there is no further problem; if he ducks, the declarer returns the Queen from dummy, and three tricks are sure - four if he now covers.

My next hand has not the same piquancy, but it teaches an equally important lesson:

N
KJ2
AKJ87
K954
W
10986
Q1052
62
A107
E
K7643
Q105
QJ832
S
AQ7543
AJ86
943
—

With both sides vulnerable, East dealt and passed, the declarer returns the Queen from dummy, and three tricks are sure - four if he now covers.

and South gave preference with three diamonds, a very disciplined bid, North now unmasked his batteries by jumping to four spades, and South said six spades.

Well bid, but the play was not good enough. West led the spade 10, dummy's King won, and the unkind distribution of the trump cards was made. Coming to hand with a club ruff, declarer led a diamond and fished the Knave, which lost to the Queen. East returned a club, which South had to ruff. Now he could not ruff a heart on the table, because that would make it impossible for him to return to hand to draw trumps without ruffing another club, a luxury he could not afford. So he drew trumps and conceded a heart to go one down.

South missed his way at Trick two. A low diamond from the table makes sure of the contract provided that they break 3-2 - it is one of those quiet moves which are constantly overlooked.

Wisdom of BMW

CONVENTIONAL MOTOR industry wisdom holds that a large car which is to go a long way on a little petrol must have a wind-cheating shape, an engine of modest size and a manual transmission with a ultra-high fifth gear.

BMW begs to differ. Their latest car, the 525e, is sleek without being exactly slippery. It has a 2.6 litre six-cylinder engine which overruns the BMW tradition of producing maximum power at fairly high revolutions. The final heresy is that the fuel saving BMW is an automatic.

The "E" in the car's type number stands for the Greek letter "Eta," used by engineers to symbolise the ratio between fuel burned and energy derived — in other words, its efficiency. Main characteristic of the new engine is that it produces maximum torque (that is, it pulls hardest) at low revolutions. Used in conjunction with a very high rear axle, it saves fuel but involves no real loss of performance.

The 525e has the same 115 mph top speed as the 2-litre 520i and is faster away from a standstill, cutting the 520i's 0-60 mph time by one second to 10.4 seconds. It will reward a driver who is interested in economy

The new VW Golf is more or less the same as the old one. It looks like the direct descendant it is but it has more space, more performance and more refinement but uses less fuel. Having sold 6m Golfs in the past nine years — 1m of them diesels — VW saw little point in making styling changes for their own sake.

Engines are of 1.3, 1.6 and 1.8 litres capacity — the largest with fuel injection for the GTI — plus

with an average consumption in the low 30s. The automatic transmission has four speeds, top being an overdrive with a mechanical lock to eliminate fuel-wasting slippage in the torque converter. It allows exceptionally high gearing — (33 mph per 1,000 rpm in top) to benefit fuel consumption without making the car feel awkward to drive in town or on winding, hilly roads.

BMW GB managing director Dr Walter Hasselkus sums it up rather neatly. "We have followed the engineering route to fuel economy whereas others have taken the packaging path."

Dr Hasselkus did not mention the Audi 100 — the car with the lowest aerodynamic drag factor of any in production — but it must have been in his mind. A comparison of the official fuel consumption figures of the two cars is interesting.

The 2.2 litre Audi 100 with a five-speed economy gearbox has a consumption of 23.7 mpg (urban), 45.6 mpg at 56 mph and 35.7 mpg at 75 mph. The new BMW 525e automatic beats it with 24.8 mpg (urban) and 47.9 and 37.7 mpg at 56 mph and 75 mph. If one compares the 525e with the Audi 100 automatic, the gap widens considerably in the BMW's favour.

Figures are one thing and real life driving is another. It is fair to emphasise the advantage of the automatic BMW against the manual Audi because both cars are aimed at business users in Britain and business motorists tend to

two diesels of 1.6 litres, one of them turbocharged. Transmissions are four-speed, five-speed with high economy top or close ratios (the GTI only) or automatic. Subtle changes to the body shape give the new Golf the same aerodynamic drag factor as the Ford Sierra.

Driving three examples of the Golf in Germany last week — the 1.3 four-speed and two 1.6 models with the 4-E gearbox — I was impressed by their

mechanical excellence, low wind noise even at 100 mph and roomy interiors. "We have more rear seat space in the new Golf than the Mercedes 190," said senior executive.

Prices are expected to be about 4 per cent higher than those of the existing Golfs. The new models, including the turbo diesel and a luxury GLX with power steering, electric windows and central locking, are due in Britain next March.

when one isn't on the motorway. Playing tunes on gearbox, however appealing, might be for the young man, his XR2, is not what mature executive expects to be in his company car.

Eta engine apart, the BMW 525e is much the same as a other 5-series saloon. It costs £11,495, putting it between 520i automatic (£10,595) and the 525i automatic at £12,595. All BMW cars are enjoyable to drive but I found the 525e exceptionally so, because engine/transmission combination makes it feel so effortless. The automatic tries to get as high as quickly as possible to exploit the engine's massive low-speed torque.

That is a recipe that allows American V8s of a few years ago to give very good miles-per-gallon figures when driven gently on open highways. Where they fell down was in traffic.

The BMW Eta engine gets economy from a number of features. It has an unusual high compression ratio of 11 long intake manifolds that the cylinders efficiently w fuel/air mixture and electro management for the injectors and ignition systems.

BMW thinks the 525e is the forerunner of a new production line, running parallel with existing and more traditional tigerish cars. High maximum and cruising speeds sell cars in Germany, where they can be exploited without falling foul the law. Here, they cannot a more. It is better for a car be flexible than fast.

MOTURING

STUART MARSHALL

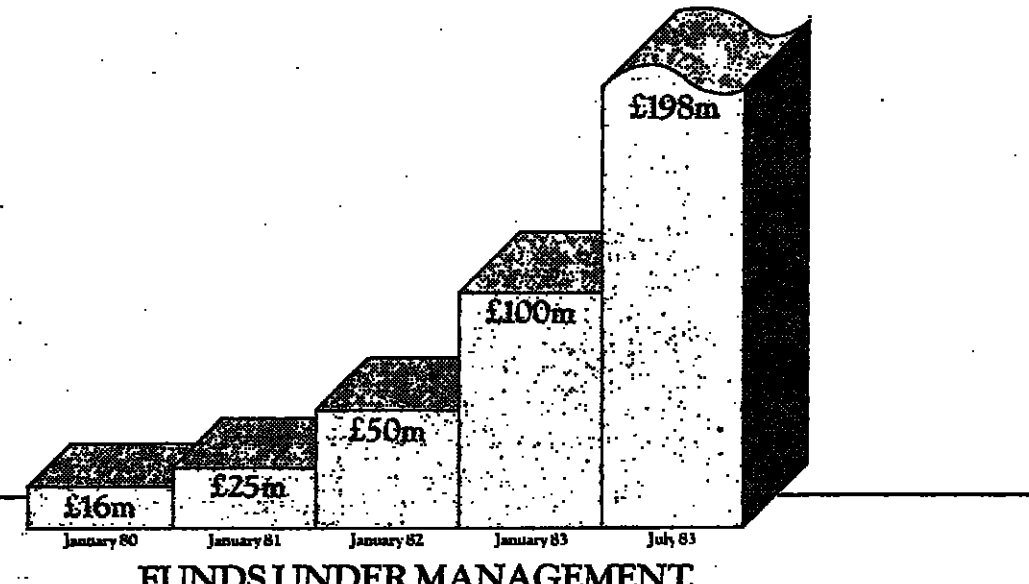
So for automatics.

If all of one's motoring were on motorways at speeds that have the constabulary reaching for their radars, the Audi 100 manual would be difficult to improve upon. It wafes along at 70 mph almost noiselessly and, as I discovered on the German autobahn, it is still fairly sepiulchral at 120 mph.

The snags of putting an engine of modest size in a large and very high geared car with a manual box appear when you leave the motorway for crowded A roads. Then you discover that to pass a lorry on a slight gradient, you certainly have to drop down to third and may even need second. In dense traffic, the Audi 100 demands a busy hand on the gear lever whereas the BMW 525e drives like any other automatic.

At the moment, Audi does not have a three-speed plus overdrive automatic to match the BMWs. Obviously, Audi will have one soon and then the balance of economy and driveability could move in its favour. Meantime, BMW seems to have an edge in the economy executive car stakes.

The fuel saving benefits of extremely high gearing can be outweighed by the need for an undue amount of gear shifting



IF YOU'RE INVESTING FOR GROWTH, HERE'S A GROWTH RECORD TO INVESTIGATE.

Last year, Mercury Fund Managers didn't appear among the largest twenty Unit Trust groups.

This year, we've risen to twelfth place. Furthermore, when you realise that Mercury's funds under management have grown from £50 million to £198 million in just eighteen months, you may conclude that the trend is trying to tell you something to your advantage.

One advantage is that Mercury — part of Warburg Investment Management, the investment subsidiary of S. G. Warburg & Co. Ltd. — have extended their range of funds (the latest is Mercury Japan, launched in June 1983). As a result, Warburg expertise is working for you across a wider spectrum of investment opportunities than ever before.

Another lies in the performance of the funds themselves. For example: Mercury General — among the top performing UK general funds. Mercury Gilt — launched in early 1981, and third in its sector over the

year to July 1983. Mercury International — up by 55.8% over the year to July 1983. Mercury Income and Recovery — showing 49.5% growth over the same period. And Mercury American Growth — launched in December 1982, and the best performing American fund to July 1983.

It's a record appropriate to an organisation with more than £4,500 million under management. It's certainly one you should investigate before you take your next investment decision.

Just send the coupon for full details of any Mercury fund listed below.

MERCURY

Mercury Fund Managers — part of S. G. Warburg & Co. Ltd.

| 12 Months to 1st July 1983 | |
|--|--------------------|
| Performance figures from Placed Securities, July 1981. | |
| Mercury American Growth (6 months only) | +61.7% |
| Mercury General | +44.2% |
| Mercury Gilt | +25.4% |
| Mercury Income and Recovery | +49.5% |
| Mercury International | +55.8% |
| Mercury Japan | launched June 1983 |

To: Mercury Fund Managers Ltd, St Albans House, Goldsmith Street, London EC2P 2DL. Tel: 01-600-4555. Please send me information on the following Mercury funds. (Please tick the appropriate boxes.)

| | |
|----------------------------------|--------------------------|
| Mercury American Growth Fund | <input type="checkbox"/> |
| Mercury General Fund | <input type="checkbox"/> |
| Mercury Gilt Fund | <input type="checkbox"/> |
| Mercury Income and Recovery Fund | <input type="checkbox"/> |
| Mercury International Fund | <input type="checkbox"/> |
| Mercury Japan Fund | <input type="checkbox"/> |

Name _____
Address _____

BOOKS

Happy families

BY ANTHONY CURTIS

The Tolstoy: Twenty-Four Generations of Russian History 1353-1983 by Nikolai Tolstoy. Hamish Hamilton. £12.50. 368 pages

"All happy families resemble one another, but each unhappy family is unhappy in its own way." In which of these categories may we put the Tolstoy? Since they emerged in Russia around the middle of the fourteenth century they seem to have possessed a remarkable capacity for happiness, yet to resemble no other family one can think of. Apart from producing Leo, the individual who is the most serious contender for the title of the world's greatest novelist (and coiner of my opening quote), they have sported two other famous writers, A. K. Tolstoy the poet and Count Alexei Tolstoy, the Stalinist trimmer, author of Bread, not to mention the author of the present book, heir to the senior line of the family, who was born in England fifteen years after his father's escape from Russia. The family also has to its credit over the centuries a solid roll-call of statesmen, generals, diplomats, ministers, ambassadors, with a colourful supporting hand of artists, eccentrics and Don Juans.

There were very few periods of Russian history when a member of this strongly dynastic family was not close to the levers of power, and responsible for putting into practice the policy of the Tsar. This continuing eminence of the Tolstoy gives the book an

absorbing continuity as a work of Russian history offering the reader an intimate series of close-ups into the major events of their time, all of which Nikolai Tolstoy handles very skilfully. It is difficult to think of the history of a prominent English family of rank which would have the same effect: the Cecils, perhaps, who might roughly seem to correspond to the Tolstoy, but even if one were to read the histories of the Cecils by Lord David Cecil and Kenneth Rose in quick succession, I doubt if one would obtain quite such a spectacular panoramic view of English military and political history as one does here of the turbulent fortunes of Russia, including a moving epilogue on what happened to the family during and after the Revolution.

Certain family characteristics emerge: apart from the obvious one of ability, the Tolstoy seem to have possessed longevity, huge reserves of sexual energy, and an uncommon power of survival. This becomes apparent early in the book when the author describes the astonishing career of his ancestor Count Peter Tolstoy who served Peter the Great in the late 17th and early 18th centuries, representing him in such sensitive regions as Italy and Turkey. It was this same Peter Tolstoy who had been part of a conspiracy involving the murderous Strelitz family against the Tsar which was a traumatic memory of Peter the Great's childhood.

Tolstoy's mother was a sister of Ivan Milyukov who was the chief agent of the carnage. Whereas the Milyukovs went under, no member of the family ever to hold office again, the Tolstoy triumphantly survived

to gain great honour and distinction.

Count Peter proved both his loyalty and his astuteness in the service of his ruthless master particularly in his Turkish post. Ambassador Tolstoy became the centre of a vast web of secret intelligence. The climax of his career was when he had the delicate task of turning the Tsar's drop-out son Alexei back to Russia where he had to face the fury of his father. This led eventually to the wretched young man's imprisonment and death, in spite of guarantees to the contrary. The interrogation of the Tsarevich is the subject of a famous painting by Nikolai Gay, and there were several versions of the episode seen on stage in Moscow before world war two in Alexei Tolstoy's play On the Rack in one of which Peter appears as a proto-Stalin and the Tsarevich suffers a just punishment for betraying Russia to the Germans.

All Tolstoy are equal in this history and none are more equal than others: that is to say Nikolai Tolstoy gives each main member of the family a whole chapter and none is permitted to hog the book, not even the author of War and Peace. The perspective section devoted to him, "The Pursuit of Innocence," is a piece of psychological portraiture, concentrating on his quest for emotional honesty, in which more space is devoted to his novel Childhood than to War and Peace. By the same token, in another section, "Quentin Durward in a Frock Coat," the author succeeds in arousing interest in the poetry of the 19th century author. A. K. Tolstoy whose romanticism



Count Peter Tolstoy—from the book reviewed today

he compares with that of Walter Scott and whose work once enjoyed immense popularity in Russia.

Nikolai Tolstoy is no white-washer or family biographer: he has utter contempt for the career of his Stalinist forebear but he does try to put in a good word for the administrator Nikolai Tolstoy whom Professor Seton-Watson has described as "one of the most bigoted and most influential reactionaries of the 19th century." Clearly Nikolai Tolstoy has a partiality for the

career of Feodor Petrovich Tolstoy who repudiated the military tradition of the Tolstoy to become an artist. After a vastly distinguished career as a medalist and painter, he produced a daughter by his second wife at the age of 76, and died leaving his widow 100 rubles.

The author devotes a Tolstoyan energy and empathy to a set of individuals who are brought to life, in the eyes of their contemporaries, by the illustrations.

Russian hoards

BY JEREMY BLACK

All the Empty Palaces. The Merchant Patrons of Modern Art in pre-revolutionary Russia by Beverley Whitney Kean. Barrie and Jenkins. £15.50. 342 pages

Relationships between artistic trends and historical developments, and between artists and their patrons, are difficult to analyse. All too often chronology is used as a substitute for analysis, and in recent years the growth of inter-disciplinary studies has exacerbated the problem. Thus, works on the Romantic Movement can juxtapose Wordsworth, Beethoven and the French Revolution, and affirm a close linkage or causality between very differing political and cultural developments.

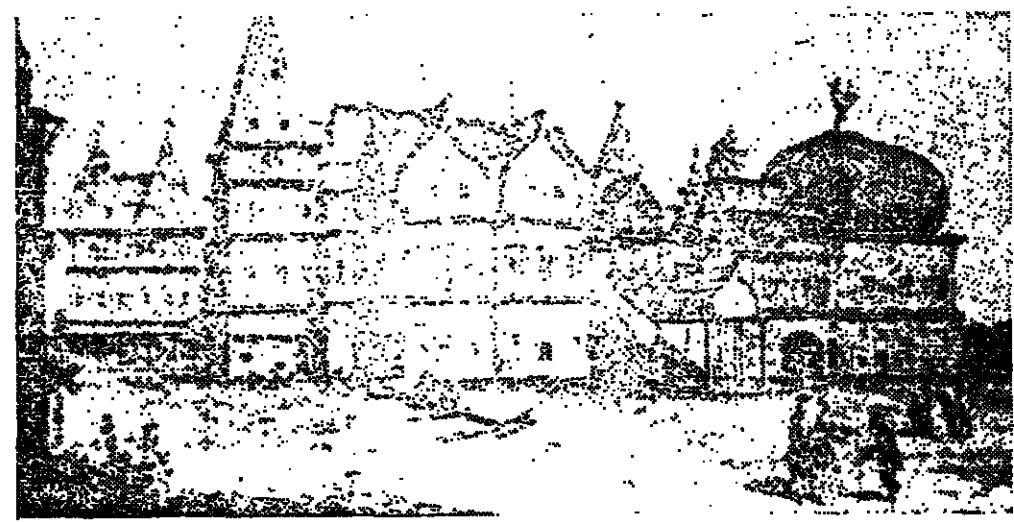
In this extremely interesting study of artistic developments in Russia in the 30 years before the Russian Revolution, Beverley Kean concentrates on developments in art and links them closely to the inspired activities of a small number of very wealthy patrons of modern art, both European and Russian. The hero of the work is quite clearly Sergey Ivanovich Shchukin, a collector on an Olympian scale.

Shchukin, who did not begin serious collecting until his 40s,

used his vast wealth to acquire a superb collection of Impressionist and post-Impressionist paintings, particularly notable for his large collection of the works of Matisse and Picasso. A sensitive collector, he was willing, as were so many wealthy collectors in Moscow at the beginning of this century, to open his house to the public and to encourage visitors, particularly young Russian artists. On Sunday mornings Shchukin conducted tours of his collection. He also intended to leave his collection to the State, but his gesture was pre-empted by the revolutionary government.

With great subtlety, and with the assistance of some very well chosen and juxtaposed illustrations, Beverley Kean charts the altering tastes of Shchukin and his contemporary collectors; and indicates the importance of Shchukin's introduction of Cubism and other recent artistic developments in Russia. In many senses Shchukin, with his frequent visits to France and his correspondence with Matisse, served to link French and Russian artistic developments. The study is presented skilfully, set against a background of the stress within Russian culture between Moscow and St Petersburg, Westernisers and Slavophiles.

It was the Moscow industrialist-collectors who were



The Kolomenskoye Palace: home of art treasures—from "The Empty Palaces"

prepared to reject both the mannered artificiality of St Petersburg and the late 19th century Russian realism of the Moscow-based "Wanderers" school; and sponsor recent developments in French artistic circles, which Miss Kean argues, echoed earlier traditions in Russian art, such as Byzantine iconography.

The arguments are interesting, the prose flows well. Miss Kean is sensitive to the personalities of the collectors she is describing. There are many amusing quotations and vignettes.

Ilya Yefimovich Repin, one of the greatest of the Wanderers, evaluated the work of the Impressionists: "... among even the most celebrated there are

some who approach the naïveté of my son painting in oils..." and painted a picture of himself in a Russian tunic, as a righteous prophet, pushing away a Diaghilev who resembled a slatternly female with large breasts and a satanic countenance. The caption reads: "Get thee behind me, Satan."

Miss Kean is careful to avoid a determinist approach, though she does suggest that the philosophy of Moscow might have encouraged radical art, because it echoed a sense of violent change, pervasive in Russia, which they themselves represented. Simplistic interpretations are avoided: the notion "that modern art and revolution are inextricably linked" is described, correctly, as a myth.

Other newly-wealthy industrialists, such as the manufacturers of Manchester, did not display comparable experimentalism in their artistic patronage. Indeed, one of the notable features of patronage of the arts by industrialists is that they are usually far from adventurous, and prefer to invest in established reputation, possibly reflecting a needless lack of self-confidence; for many industrialists have proved sensitive and munificent patrons of the arts. Miss Kean quotes the answer of Pierre Matisse, the artist's son, to the question "What made Shchukin the ideal client?" "He never tried to influence the structure of a work. He was good because he always came back."

Boney and Hitch

BY NIGEL ANDREWS

Napoleon: Abel Gance's Classic Film by Kevin Brownlow, Jonathan Cape. £10.95. 303 pages

The Life of Alfred Hitchcock by Donald Spoto. Collins. £12.95. 578 pages

Kevin Brownlow's restoration of Abel Gance's "lost" masterpiece is one of the most enthralling tales of discovery since Howard Carter stumbled upon the final resting-place of Tutankhamun. Napoleon is the book Gance enthusiasts have been waiting for: the spine-by-spine saga of how a magnum opus was rediscovered, reshaped and re-presented to a grateful public.

In some ways Brownlow's achievement is far more remarkable than Carter's. For he not only had to "find the body," he had to piece it together, from many parts; and then champion its merits to an initially highly sceptical cinematic establishment, not to mention that channelling public, many of whom had never heard of Gance.

The movie first came into Mr Brownlow's ken in his school days. Part of it in the form of two reels of 9.5 mm "educational film" (so classified) on Napoleon's life, he borrowed from a library. Around this magnetic core other bits of cannibalised bits of Napoleon slowly clustered, as Brownlow scoured archives and libraries and private collections around the world. The film — as audiences at the recent Barbican screening discovered for themselves — now lasts five hours 13 minutes: helped by an extra 25 minutes Brownlow has found in the Cinémaquique Française, since Napoleon's London Film Festival premiere in 1980.

You cannot long contemplate Gance's return to public notice after years of exile, without detecting a mischievous modern paradigm of Napoleon's own return from Elba. (Even the director's Christian name is a fateful anagram of that island.) The difference is that Gance's return resulted in triumph. He lived to the age of 92, to see the successes of "premieres" of his film in London and under Francis Coppola's eagle-eyes New York. And even if yet more footage is discovered by Brownlow—perhaps jagged central-heating pipes in the Cinémaquique, or wrapping fish in Wardour Street—Napoleon is already firmly ensconced in the pantheon of Great Films.

In addition to the saga of discovery and reassembly, you may read here of the trials of Napoleon's making: of that film's and Gance's years, in the wilderness; of the remarkable role of French director Claude Lelouch in hindering its return to the limelight; of a terrifying night in Telluride, Colorado, when Gance threatened to cut rough with Brownlow; and of one intrepid British film historian's "magnificent obsession" with a movie which, for several decades, did not exist. Let us hope someone is around in the 21st century (preferably before) to do the same with that equally neglected, almost equally long masterpiece of the 1980s, Michael Cimino's Heaven's Gate.

If the history of Gance's Napoleon is the tale of a great director condemned to spend most of his life without his great film, Alfred Hitchcock's career often seems the tale of a great oeuvre without a director.

Who is, or was, Alfred Hitchcock? The master movie-maker and high-profile public showman seems no less impenetrable to us today as when "Hitch" was alive himself. It

takes more than a mere balloon-shaped prankster with a voluminous ominous voice to make films as poetic and memorable as Spellbound, Vertigo, or Psycho. Yet Hitchcock the man never exposed his deeper self to the public—nor even to critics and interviewers who were enthusiasts of his work.

Donald Spoto's The Life of Alfred Hitchcock is a most spectacular, necessary follow-up to John Russell Taylor's courtly informative, but inevitably bland "official biography." Mr Spoto has, or takes, a licence to conjecture about Hitchcock's Jesuit upbringing as a source of guile, secrecy, and the prurience about Hitchcock's attitude to women as a source of his subtle screen sadism; about Hitchcock's widely reported row with Tippi Hedren as an explanation for the technical gaucheries of Marnie. (Critics, including Spoto himself, as he has here, have long tried to explain the naivety of the film's glaring back-projections and painted backdrops as Hitchcock's "going expressionist." The truth, Mr Spoto now argues, is that the wounded Hitchcock simply lost interest in the movie after his advances to Miss H. had been vigorously rebuffed.)

Sometimes the author's take—a speculation—and present it as fact style veers from plausible to presumptuous. Of a performance of Richard II at Hitchcock's school Mr Spoto writes: "The tale of theft, imprisonment, murder and penance not only provided the form-masters with plenty of material for moral injunction but also helped to form Hitchcock's own sense of moral drama." Oh?

But this is a lively, detailed and provocative book. Taken with an occasional pinch of salt—as Hitchcock would have wished you to take his own films—the rewards are plenty.

Lebanese agony

BY PATRICK COCKBURN

The Tragedy of Lebanon by Jonathan Randal, Chatto and Windus. £9.95 (£4.95 paperback). 381 pages

The complexity of Lebanon makes it difficult to write about. Long-term trends are obscured by the pace and drama of events. Reporters and diplomats get lost in the maze of warring factions and sects, each seeking and usually finding outside backers. The Levant breeds a short-term tactical view, writes Randal, and it is a mark of his book that he links the blood-drenched developments of the last decade with the history of Lebanon as a whole.

The country is unique. "The Government does not exist, and whatever part of it does exist has no authority, and who ever has authority is not in Government," notes a prominent Lebanese. In an area only half the size of Wales every member of the 16 officially recognised sects sees himself as one of a minority with real fears of massacre and expulsion. Everybody is paranoid, and everyone has reason to be.

In explaining the source of the fears Mr Randal, the distinguished correspondent of the Washington Post, has written much the best book on Lebanon. He never gets lost in tangled details of the civil war in 1975-1976 or the byzantine twists of policy on all sides which have followed. Anybody who wants

to know what has happened or is likely to happen in the Middle East should read this book.

Mr Randal begins with the assassination of President-elect Eshir Gemayel last year. When the body was removed from the wreck of his party headquarters the Maronites lost their best chance of creating a state in their own image.

And it is the Maronites who are the main focus of the book. The largest and best organised Christian sect in Lebanon, they have survived as other Christian communities in the Middle East go under. Always seeing themselves as embattled, it is hardly surprising that Maronite leaders have wondered why they cannot emulate Israel by creating their own state.

Fear is never far away. "The Christian psychosis of fear is internalised, visceral and tenacious," says Pierre Gemayel, father of Lebanon's President, and founder of the Phalange Party which has come to dominate Christian politics.

The American edition is called Going All The Way: a central theme of the book is to explain why the Maronites have traditionally outrun their strength. In the civil war they repeatedly provoked enemies more powerful than themselves. They were only saved in 1976 by the intervention of the Syrian army.

A Maronite-dominated state has always been feasible in

Lebanon today, as it was at the start of the century. The reason it has not been achieved is the inability of the Maronites to share power, even with the Druze and Sunni Moslem establishment. However disenchanted Lebanese Moslems may have been with the PLO, they feared the Maronites more, especially after the Chatila massacre.

This self-defeating lack of moderation is in the nature of militant minorities conditioned over the centuries to try to maintain their identity in a hostile world. The Protestant in Northern Ireland, and the Lebanese Maronite, have a lot in common. Each belongs to a group with a strong tradition of solidarity and a belief in the total rectitude of their cause. These uncompromising communities have become the victims of their self-defence mechanisms, unable to see the moderation and capacity to compromise which would win them most of what they want. They thus stand in danger of losing everything.

Nor are the Christians alone in not knowing when to stop. Lebanon is deceptive because everybody in the country has at some point thought that his side could win a total victory. The same temptation has gripped the PLO and the Israeli Government, and all have seen their victories within Lebanon turn to dust.

FICTION

From Clydeside to College

BY MARTIN SEYMOUR-SMITH

Apprentice by Tom Gallacher. Hamish Hamilton. £7.95. 186 pages

Words by Helen Stancey. Robin Clark. £7.50. 187 pages

Inrock by Desmond Morris. Cape. £6.95. 288 pages

Tom Gallacher's Apprentice consists of five interconnected short stories: a novel in episodes. Set in the 1950s in a Clydeside shipyard, it deals with the unusual theme of an

educated apprentice who desires above all to pass on his education to the men and women he sets to work in his new job. But it is his very education that makes him an innocent. He wants to save his landlady; a girl from the ropeworks whom he considers misguided; a swindler. ... But perhaps in the end it is they who educate him. He remains, he feels, a "dilettante human being."

This is well written, always canny, with a marvellous ear for Scottish dialogue (from which the author gains many

of his most telling psychological touches). Here are some shrewd although never unpleasant or doctrinaire comments on education and its effects. It is seldom that one reads a book in which the worth of people as they are, untouched by "correction," is so lyrically and amusingly stated.

Words is a first novel about childhood and adolescence in a small English town. Young Maggie is totally at odds with her respectable, "upright" parents, who cannot understand why she has a mind of her own — and so disconcertingly original a mind. But that part of the novel, exquisitely done, is not the whole story. The book gains in distinction, Maggie goes on to London, and to university, where she meets a nihilistic young man who seems at first to be everything she has wanted. She finds him to be something else.

This is no thesis on the excellence of Victorian values, but Maggie's return to her mother after the relationship with her nihilistic man finds her with a new sense of duty, in which she learns to act by her own standards, and not those imposed by anyone else — as Maggie does. She is able to see that, under all the surface propriety of her mother, there is a feeling human being after all. Words avoids sentimentality and preaching. It is about people learning to be themselves — about how they must escape ideologies. It is a very promising debut.

Desmond Morris is tolerable to all but some ethologists, who usually — and rightly — do not mention him. It must be hard for them. His first novel, a speculative tale about the Land of Inrock, patently based on Tolstoy, is about as successful as his attempt to mate the Moscow Panda with our Panda in Regent's Park. This is depress-



Helen Stancey: parental pressure

ing pastiche; or, alternatively, it is as good as Congo's paintings (Dr Morris taught this chimpanzee to paint). Inrock is a good-hearted fantasy, and I feel as bad as an ethologist deciding whether or not to mention The Naked Ape in his review of studies. But it does not have the absurdly warm appeal of that earlier work.

Crimes in short

by WILLIAM WEAVER

Call Back Yesterday by Sara Woods. Macmillan. £6.50. 192 pages

Sara Woods is addictive. Even when the mannerisms of her regular characters irritate you, even when you are annoyed because events are often narrated several times (the characters are forever telling one another things the author has already told you), if you like a good puzzle, you can hardly put these books down. As usual Antony Maitland has

a rum client whom only some person would consider not only guilty but also better. He cannot accept her guilt, however, and agrees to defend her.

The Measures of Murder, edited by Jonathan Goodman. Allison and Busby. £9.95. 268 pages

An anthology of famous crimes, described by various writers, some specialists, some famous in non-crime areas, some obscure. The narration of real crimes for some reason

often inspires an arch superiority in the narrator, and over a long space this can become tedious. Dorothy Dunbar's retelling of the Lizzie Borden case is a good (or rather bad) example. But the book has some excellent chapters, notably Mr Goodman's own account of the Brady-Hindley moor murders. British readers may be unfamiliar with Henry David Thoreau's "A Massacre in Massachusetts," taken from his classic A Week on the Concord and Merrimack Rivers, a welcome inclusion.

Rebel headmaster

BY VALERY MCCONNELL

Neill of Summerhill: The Permanent Rebel by Jonathan Croll. Routledge & Kegan Paul. £12.95. 436 pages

An authorised biography of A. S. Neill seems a contradiction in terms. To Neill, the founder and head of Summerhill school, authority was anathema. He believed children should have emotional freedom, self-government, and the right to learn what they chose at their own pace. The school and its principles, established in the 1920s, are still running today, despite Neill's death in 1973.

They stem not so much from what education should be, but what childhood should be. It is not surprising that the pattern of Neill's own childhood should prove to have been the exact opposite of what he advocated. He was scholastically unimpressive, a source of irritation to his father, the local Dominie-schoolmaster—in the Calvinist Scottish village where he grew up. In these circumstances, academic success and "parental love" were closely connected, and Neill lacked both. Although he eventually obtained his degree, he retained a disdain of the intellectual—so that it often seemed that Neill's view of what children should learn proved to be what he had himself enjoyed, and been denied as a child. Sometimes this caused problems for children at Summerhill who did

have an academic bent, bringing Neill into conflict with teachers who sought to encourage them.

Neill's shortcomings as both a person and a teacher are well documented in this biography. He could be an unappealing husband; he was a dreadful Maths teacher but wouldn't admit it; he disliked other teachers' attempts to influence the direction of the school. Democracy for the children did not extend to the staff. However, what was never in doubt was Neill's love for the pupils—he gave them care, time, and the right to be important—all lacking in his own young life.

Father figure to so many, Neill needed mentors himself. The first was Homer Lane, whom he met while still a frustrated teacher in other schools. It was Lane's school for young delinquents, based upon the precepts of self-government and psychoanalysis, that gave Neill two of his key ideas for Summerhill: the catalyst that sparked the Summerhill project into life. The other great influence on Neill was his friend Wilhelm Reich, the controversial psychoanalyst. Reich analysed Neill, but the friendship provided an outlet for both of them. They were both extremists, and could understand each other's loneliness and frustration at being misunderstood. As fellow iconoclasts, they gave each other sympathy and support. Evaluations of Neill and

Summerhill have been attempted throughout their association. "Ignorance, conceit or genius," asked a reviewer of one of Neill's many books on educational psychology, "A measure of each seemed to make up the man. In his well-researched book Jonathan Croll quotes extensively and perceptively from the opinions of Summerhill pupils, teachers and parents, as well as Neill's friends, admirers and opponents down the years. He does not give an extensive analysis of either Neill's psyche, or Summerhill's success.

Instead he gives the reader as much background information and evidence as possible and leaves us to make up our own minds. Whether people hated, loved, or misinterpreted that freedom school, they always have affection for Neill. Because, quite simply, Neill was always willing to give.

THE STATESMAN'S YEAR-BOOK 1983-84 is out now

Headline from 4 Little Essex Street, London WC2R 2ET 01-834 6883

Glittering prizes

THIS right piece of jewellery adds the finishing touch to any outfit but whereas once upon a time only the real thing would do, nowadays there is a whole host of choices to choose from. From designer jewellery with its sculptural lines and daring use of expensive materials to the cheap plastic trinkets of the early 1950s, there is something for almost every taste and pocket. No longer are most people concerned with using jewellery to proclaim their social status, or the power of their purse, nowadays it is a personal statement of taste and lifestyle. Shown on the pages this week are just some of the choices currently in the shops.

IF YOU haven't yet heard the name of Kai-Yin Lo you soon will. Until recently her fame has been an elite and elusive thing. Eugenia Sheppard of the New York Post summed it up better than I ever could when she wrote, "Kai-Yin Lo's name is a kind of magic password among women who like exotic, semi-precious jewellery better than diamonds." Thus on this fine but inextricable thread of fame was her name passed among that select group that makes up the haute monde.

A glance at the list of those who wear her jewellery is to know the glittery names that make up the pages of that bible of modishness Women's Wear Daily: Mrs William Randolph Hearst, Princess Grace of Monaco, Mrs. Marjorie Merriam-Powell, Gloria Vanderbilt, Mrs. Charlotte Ford, Mrs. Gordon Getty and nearer home, Mrs. Jane Stevens, the Countess of Lichfield, Princess Michael of Kent, are all wearers and admirers of Kai-Yin Lo's work.

When you think how much jewellery there is in the world and how many talented and committed designers have devoted their lives to it, you may well wonder what it is that makes Kai-Yin Lo's work so special. The answer seems to lie in the fact that she has very cleverly and artfully bridged the gap that lies between real jewellery (the world of Cartier, Harry Winston, Bulgari et al) and costume or non-precious jewellery.

Kai-Yin Lo uses only materials that have beauty and some material (commercial) value. She takes semi-precious stones, or bits of antique jade or ivory, pieces of lacquer or amber and uses them to make jewellery that is strong and individual. She uses little gold, no diamonds, but is fond of lapis lazuli, of antique beads, of coloured stones, of amethyst and malachite, or coral and of jade, of ivory, bone and wood. All these she takes and turns into her own distinctive styles.

Another of the reasons for her success, it seems to me, is the skilful way in which she uses her Eastern origins—she takes ancient Oriental motifs but is careful to use them in ways that the Western world can understand so that the jewellery is at once exotic and wearable.

Small, almost frail to look at, Kai-Yin Lo herself was dubbed by Rebe Dorsey of the International Herald Tribune as one of the three most notable Hong Kong designers of the 1980s and her small shop is a treasure-house full of pieces that offer a surprising amount of panache for quite a small outlay.

Currently Maria thinks that her selection of mainly 1920s clips offer some of the best, most stylish ways of updating or perking up a dress, a sweater, a jacket or a coat. Made from materials that are inherently inexpensive (glass, the French paste de verre, diamonds, maresite, brightly coloured bakelite, silver) and at prices ranging from \$5 to \$20, they can be worn just off-centre on the V



Kai-Yin Lo is photographed here with some of her own designs. Using combinations of antique jade or ivory that she has collected over the years or semi-precious stones or even just coloured stones, she fashions all these things into jewellery that has become sought after all over the world. No two pieces are ever exactly alike.

Bold and beautiful

I HAVE written about Manganese's tiny little shop at 3a Kensington Church Walk, London W8 (tel. 01-337 2897) before but so many readers seem to have found exactly what they wanted for a special birthday or anniversary present in her shop that it is worth reminding you of this unique source of jewellery. This summer Manganese has a great deal of coral, turquoise, some stunning ivory (from official culled sources only) which is beautifully worked in pendants, some inexpensive wooden beads and bangles and some exceedingly well-priced silver plate that looks much older than it is.

Anybody who has a taste for the dramatic will find that Manganese is a godsend—look particularly at the turquoise and ivory ranges. Shown, sketched here, are three earrings. Right—from left to right, in a mixture of



gold and silver plate. £16.95 the pair, the middle earring in coral mixed with silver and gold plate and is £19.95, while on the right is a silver and gold plated earring, £16.95. All can be posted for an extra 75p a pair. Right at the top is a bracelet (£14.95, p + p 75p) in either silver or gold plate and on the right a matching necklace (£25 p + p \$1). Both are of Mexican origin and have an "antique" look. Below right is a necklace made from silver plate, bone and coral, £49.95 (p + p \$1).

Anna Morrow

From small beginnings (in 1979 she used her own collection of small Oriental art objects as the basis of her jewellery) she now has a private client list that spans five continents. Kai-Yin Lo, it appears, is on everybody's party invitation list. And no matter how tired or jet-lagged she is, she is never too weary to turn up as her own best advertisement of what a piece of Kai-Yin Lo jewellery can do for you.

Now, at last, all this jewellery is going to be available to all of us who have never made it into the columns of Women's Wear Daily and never get asked to the parties that Kai-Yin Lo attends. To begin with the London stockists are Harrods and Harvey Nichols, of Knights-

bridge, and Liberty of Regent Street.

Three main ranges are on offer. The Fashion Line which uses real materials like ivory, bone, wood, semi-precious stones like amethyst and coral. Then there is the Boutique Line of precious gold jewellery set with pearls and semi-precious stones. The Antique Line is possibly the most original and "Oriental" in look—this consists of antique pieces (whether ivory, jade, coral, rose quartz) re-assembled, re-worked and fashioned into special, one-off pieces. In addition there is a collection of belts and other accessories, things like satin ties embellished with coral, and small bags and travel items. Though in America they call

her jewellery "medium-priced," we in recessionary Britain are likely to think the prices very far from medium. At anything from \$50 to \$10,000, high is the word that most quickly comes to mind.

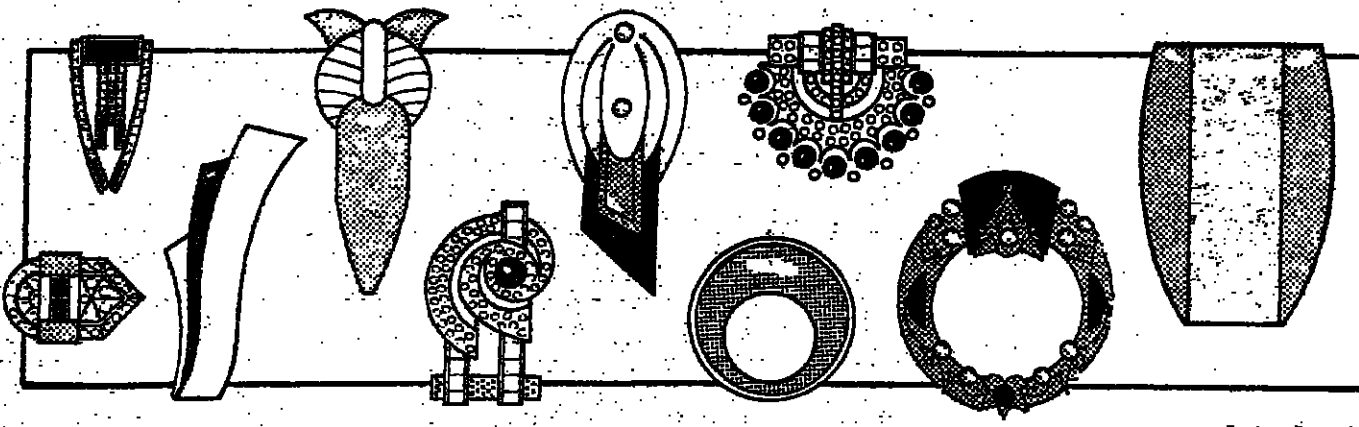
However, there is no doubt that many women find it so desirable that they start reaching for their cheque-books almost before they've drawn breath. Some weeks ago in a drawing-room overflowing with necklaces and chokers, with beads and pearls, with wood, ivory, bone coral and all the other colourful and gleaming materials that Kai-Yin Lo uses to create her pieces, the lady herself hardly had time to talk, so busy was she taking orders and putting away the cheques.

Clipped from the past

best, most stylish ways of updating or perking up a dress, a sweater, a jacket or a coat. Made from materials that are inherently inexpensive (glass, the French paste de verre, diamonds, maresite, brightly coloured bakelite, silver) and at prices ranging from \$5 to \$20, they can be worn just off-centre on the V

of a sweater, on berets, on boat necklines, on the shoulder seam of dresses, on jacket lapels and pockets, on sleeves of short-sleeved jumpers. Shown below is a selection of some of her best, most decorative clips. Top row, left to right, navy blue and white paste and silver clip

£25; burgundy glass with how, £12; chrome red and black bakelite, £17; a glittery turquoise and plain paste circular shaped clip, £25; strong red and cream bakelite clip, £24. Bottom row, left to right, tiny silver, maresite, green and black design, £26; red bakelite and chrome, £28; strong Art Deco design of maresite with red stone, £25; red mirror glass hoop, £12; orange deep red and maresite 1920s clip, £23.



Pauline Rosenzweig

Bow-tied

IT IS amazing how long it took manufacturers to cotton on to the fact that softly-tied bows at the neck were one of the most sought-after accessories this year. While American shops seem to have leapt on to the handwagon fast, early shoppers here in Britain either had to sew their own or track down the few shops that seemed to sell them. Anybody still looking for a soft, silky cravat to the round

that Extimious, that delightful present shop at 10, West Halkin Street, London SW1, sells spotted versions in a variety of different colours. All are made from pure silk crepe-de-chine, which gives that expensive floppy look all are 46 ins. in length. The colours are white, spots or black, red, turquoise, burgundy and pale blue, spotted spots on navy. All are \$8 and all can be bought either

or by mail order for an extra 50p. Readers who have not yet discovered the shop itself may like to know that there is a splendidly informative catalogue which has full-colour photographs of all the many special items that it sells. The catalogue will initially cost you £1 but if you order anything from it this will be deducted from the cost of the first order. (Write to the address given



COOKERY/JULIE HAMILTON

Frozen delights



WHAT a summer! What a joy! No need to go abroad for a holiday with Cypriot sunshine or Italian ice cream. Both have come to Sussex. Most of the meals during this school holiday have been cooked and eaten in the garden, very few (if any) clothes have been worn and our own ice cream has been plentiful. I have served ice cream with almost every meal, as a before or an after or even both. I have also served it to the 25 guests at our summer birthday celebrations. When we have run out the children have made their favourite flavour (mint choc chin) in 20 minutes!

All this has been made possible by the Gelato Chef ice cream machine. It is an expensive item (£185) to add to your kitchen but if your family and friends enjoy the best ice cream in the world (your own recipes are, of course, the best) then this machine is a must. You need space for it because it is too big and heavy to keep moving away. If you have a pantry (I wish I had) where you keep the freezer, then that's the place for it.

The Gelato Chef will make any ice cream or sorbet in 15 to 20 minutes. It is marvellous to be able to tip the prepared ingredients into it as you sit down to dinner and then serve ice cream which is soft—yet holds its form—creamy, light, unutterably delicious and freshly made straight from the machine. It makes one and a half litres, which is about 10 good-sized portions, depending on your scoop and appetite. It comes with a booklet of recipes, some of which will probably be familiar to you. It is so easy to use that when it arrived in my kitchen my children (aged 13 and 11) were the first to try it out.

The other thing that has amazed me is that the machine will turn almost anything into ice cream, regardless of whether or not the ingredients include what was once believed to be the required amount of sugar. I am so impressed by the capabilities of this machine that I am seriously considering leaving my kitchen extended, or re-styled or replanned to accommodate it (and other useful gadgets acquired over the years!).

Now to some of the recipes I have created with the help of my Gelato Chef. Of course they will work using any ice cream making method or gadget (to refresh your memory send for

a copy of my article published on July 10 1982). Unless you are making sorbets or yogurt ice cream most recipes include quantities of cream but I can assure you that ice cream made with a custard of milk and eggs is so good no one would complain of or even recognise the absence of cream.

BITTER CHOCOLATE AND ORANGE ICE CREAM

1 lb bitter Bourneville chocolate; the juice and rind of 1 orange; 6 eggs; 1 pint milk; 2 tablespoons sugar. Melt the chocolate in the orange juice. Bring the milk to boiling point with the orange rind in it and let it stand, just below boiling point, for a while—not less than half an hour. Combine the eggs and sugar and, while beating, add the chocolate and milk. Pour into a bain-marie and thicken over boiling water, stirring continuously. Cool, strain and freeze (returning for 20 minutes if using a Gelato Chef).

STEM GINGER ICE CREAM

8 oz stem ginger (Sharwoods, in vinegar, found in Timothy Whites); 1 pint cream, double or whipping; 1 pint milk; 8 eggs (6 whole plus 2 yolks); 4 tablespoons caster sugar; 4 fl oz ginger wine. Strain and pound the ginger to a smooth paste and combine it with all the other ingredients. Pour into a bain-marie and

thicken. Strain it and cool. When cold, freeze according to the instructions for the method or machine you are using.

CINNAMON AND LIME ICE CREAM

1 pint cream; 1 pint milk; 3 eggs; juice and rind of 1 lime; 4 tablespoons sugar; 1 flavoured stick of cinnamon; 1 bay leaf; yellow food colouring. Combine half a pint of cream with the milk (you could use milk only if you wanted to) and add the cinnamon stick, the rind of lime and the bay leaf, bring to the boil then leave to stand just off the boil for not less than half an hour or until well flavoured. Beat the eggs, sugar and lime juice together, pour the flavoured and hot milk and cream into the egg mixture. Using a bain-marie, thicken over boiling water, strain and cool, adjust colour to a rich yellow with a few drops of food colouring and freeze according to instructions. Halfway through freezing add the other half pint of cream.

To serve these two ice creams at a dinner for 25, I scooped out each portion into a cup cake paper and froze hard in my freezer. When they were well frozen I melted some chocolate with a little butter and spread it over the top of each portion, decorating only the ginger one with toasted almond flakes to make identification easier. Before serving I peeled

off the paper and arranged the balls of ice cream on a platter, removing it from the freezer approximately 15 minutes before serving. For the same dinner party I also made the next ice cream.

MOCCA CHOC ICE CREAM

6 eggs; 1 pint milk; 1 pint whipping cream; 1 oz coffee beans; juice and rind of 1 orange; 2 heaped tablespoons custard; 4 tablespoons sugar. Bring the milk to boiling point and add the coffee beans (1 use Kenya peaberry) and the orange rind. Leave to stand for at least half an hour or more just under boiling point. Combine the eggs, orange juice, sugar and cream. Pour the hot, flavoured milk over the egg mixture. Using a bain-marie, thicken, stirring all the time. Strain and, when cold, freeze—adding the cream halfway through the process.

BORSCH ICE

If you like borsch you will adore this ice cream served as a starter with wholemeal biscuits. 3 good-sized freshly cooked beetroot; 1 chicken stock cube; 1 oz gelatine; plenty of finely chopped fresh dill; 1 tablespoon wine vinegar; 2 pint water; 1 dessertspoon sugar. Dissolve the gelatine in 4 tablespoons of water. Purée the beetroot, adding the dill, vinegar and sugar. Heat the water and dissolve the chicken stock cube, combine it with the gelatine and add it to the puréed beetroot. Season to taste and freeze.

CHEESE AND ANCHOVY ICE-CREAM

This savoury ice-cream is for serving instead of cheese at the end of the meal. Because it has no sugar it will freeze very hard so remove it from the freezer in plenty of time. If you have a Gelato Chef, 15 minutes freezing and churning is enough. The quantities given make eight full size scoops. One person should be adequate served with cheese biscuits. 3 oz cottage cheese; 5 oz double cream; 7 oz milk; half a can of anchovy fillets, juice of half a lemon; 2 heaped teaspoons of tomato purée; 1 teaspoon anchovy essence; freshly ground black pepper. Using the finest disc push the cottage cheese and anchovies through a food mill and combine them together with all the other ingredients. Taste, adjust seasoning and freeze.

in Next week's FT

Hot rocks—will they keep you warm this winter—on the Technology Page.

God's Banker, Roberto Calvi — 2 extracts from the book written by Rupert Cornwell, the Financial Times Rome correspondent.

How Caterpillar, the world's largest construction equipment group is fighting the Komatsu challenge — on the Management Page.

Patricia Roberts — how she has made knitting into a successful small business — on the Small Business Page.

The FT brings you the information you need — read it every working day.

No FT...no comment

ARTS

Political science

In Paul Thain's *Revelations*, this week's Monday Play, Government security is controlled by an omniscient computer called Tobol that learns for itself one of Isaac Asimov's laws of robotics: that human life is sacred. So it declines to give up the names of the terrorists of the Third Force who have stolen enough plutonium to make a bomb and blackmail the Government. Tobol is "bio-chemical": the interface between the digital and the analog sections is virtually a human brain (Geddi?) Tobol's designer Mary (Ann Morrish) is so liberal that she will not help to correct the fault; but in the event she is compelled by the Director (Charles Gray) to insert a pseudocancer masked by music. Music is something Tobol has never experienced, and it is a consolation that its death is effected by the most beautiful music ever written, the trio in the first act of *Così fan tutte*.

This is all in the manner of *Dr Who* in the old days when he and the Brigadier were involved in politics, but slightly more serious. It happens at the end of the century, when Opposition MPs are addressed as Citizens and the true opposition lies with the Third Force and its active wing the People's Liberation Army. It is sentimental as well as exciting, and

RADIO

B. A. YOUNG

was well played under Glyn Dearman's direction. Michael Tudor Barnes played Tobol too much like a human, to my mind, too little like a Dalek.

Going back half a century, the politics in Hugh Jenkins' *Fourteen-year-old Paul* (voices broke later in 1924 than today) reckons the choirmaster owes him £3 17s 6d for his solos, £3 17s 6d; I got £1 15s a week when I began work, a lot later than 1924. The choirmaster would not give him what he asks, so Paul decides there should be a "proper scale" of payment for solos and forms a mini-union among the trebles.

The author calls his play "semi-autobiographical," so it won't be a surprise to hear that Hugh Jenkins is really Lord Jenkins of Putney, Minister for the Arts in Harold Wilson's Government. Even shop-steward solo trebles make a glorious sound, as Paul Russell did in this play; but too often his

speaking after ego, Benjamin Revitt, was soliloquising over the music about the falsity of his Christian beliefs. This was Wednesday's Afternoon Theatre. To stay with Radio 4 drama, on Monday was a repeat of David Cauter's *The Zimbabwe Tapes*. The actual tapes, made by Mr Cauter on visits to what was then, I suppose, Rhodesia, are genuine talks by Mugabe's freedom fighters, but the fabric devised to contain them is clumsy. A liberal white farmer has made an "oral history" of Rhodesia by getting old-time settlers to tape their recollections. (Surely a Radio 4 feature!) When he is ambushed and kidnapped, the guerrillas take his tape-recorder with them and have some tapes made from their side. Moreover, as the settler is to get killed in a raid by the Rhodesian Air Force, we have to have a narrative to recount it all. Peter Jeffrey is fine as the settler, John Mathikiza as fine as the guerrilla leader, but neither was as exciting as the voices on the tapes.

No politics in Mrs Gaskell's *Wives and Daughters*, the new Sunday evening serial, adapted by Barry Campbell. It should be first-class. Being less well-known than *Cranford* and other 19th-century romances, the plot will be more interesting to explore. Newcomers who think that because Mr Gibson's 17-year-old daughter Molly has been sent to stay with the Hamleys, who have sons at Cambridge, she's sure to have a romance with one of them have no idea of all the marriages and deaths that lie in store for them.

The characters, all so decent, so humorous, so well-bred—so far—are admirably played in Jane Morgan's production. Tom Wilkinson is Gibson, the country doctor who has kept Molly in a state of innocence somewhat extreme for her age, and Molly is delightfully played by Kathryn Hurlbutt. Squire Ramley and his wife, fine old women stock leap to life in the voices of Robert Lang and Lillian Walker.

It was salutary, before plunging into the scientific imagination of *Revelations*, to have heard a Radio 3 talk the previous day called *From Supernatural to White Dwarf*. This was an account by Dr John Hendry of the way in which Sir Arthur Eddington, when I was a boy, the greatest scientist after Einstein, lost the confidence of both scientists and philosophers. Science is a malleable art, or craft, or whatever it is.

When two young New York comedians performed live in Bozeman, Montana, still in New Yorkers' mind the edge of the great wilderness, it was considered news not only in Bozeman, but also in Manhattan. In Bozeman, the news was that live entertainment had finally arrived in a town that boasted little more than the full complement of fast-food restaurants. The news in New York was that this new generation of comedians, largely associated with big cities and the traumas of urban or at worst suburban living, had crossed the great divide and reached out into the American heartland.

Lanky 27-year-old Steve Mittleman, whose big feet and Queens accent resemble those of a New York City cop, found the audience's enthusiasm an adequate compensation for their lack of familiarity with his home-grown material. He could easily adapt some of his material, like his disbelief that people pay \$3 for Perrier with Hudson River ice cubes floating in it, to Bozeman, which was suffering from an unidentified parasite in its own drinking water.

With about 200 clubs now spread out across America specialising in stand-up comic entertainment, the funny fat kids who could make their classmates laugh and their teachers cry now feel they have a possibility to turn their quirks into a profession. They congregate in increasing numbers in New York, which has seen a profusion of comic clubs open in the past few years.

One of them, Catch a Rising Star, has long been a magnet drawing young hopefuls to their regular try-outs, where anyone can have a five-minute or one-song stint in front of a live, paying audience. Late into the night, established performers join the acolytes to try out new material in an informal East Side setting that resembles a club in the cellar of a rustic restaurant. A breakthrough was reached in March when the formation of Caroline's from general cabaret into a high-class comic club, with a full menu and tablecloths, to complement the entertainment, the acts get paid enough to give at least the illusion that the comic business can really be a profession.

If stand-up comics can trace their profession back to Vaudeville, their modern incarnation began with the Mork Sails and Lenny Bruce of the 1950s whose routines alighted on the discomfiting some felt at the complacency and conformity of the Eisenhower years. The one highly successful survivor of those years, Woody Allen, has

Humour hits the U.S. heartlands



Avner the Eccentric: adept at ad lib

no doubt influenced the new comedians, though the intervening "me" generation has also had a lot to do with the focus of routines narrowing from political and topical subjects to personal, life-style routines.

The closest approach to politics one finds is a routine like Jakob Smirnoff's at Catch a Rising Star. With a hip

Search for Tomorrow to become *Search for All My Children*. Soviet television turned *Love Boat* into *Love Barge*, and *Leave it to Beaver* became *Leave it to Brezhnev*.

By emphasising the prejudices of conservative America, such politics hardly fit the mould of the morbidly liberal 1950s, but it has a lot in common with

Frank Lipsius reports on the new wave of live comedy which is sweeping America

Russian accent and a convincing assertion that he is a Soviet émigré. Smirnoff compares American and Soviet life with quick comments like "the prize for a Soviet joke contest is 20 years," a Soviet soap opera like *America's One Life to Live* is *One Day to Live*. All My Children is combined with

the other routines that deal with the minutiae of American life, heavily biased toward innuendo and childhood maladjustment. The mc at Catch a Rising Star warms up the audience with questions about where people are from, giving wide latitude for jokes about

the Texans and the Psychological Association conventions to mix with self-deprecating remarks about New York.

Mark Weiser punctuates a manic routine with the comment, "Don't mess with me, man, I'm on medication." At Catch a Rising Star, Steve Mittleman goes through a high-school routine easily adaptable to Montana with comments like "I was voted 'Most likely to have prostate surgery'."

The mix of comics reflects a generation's changes in women's roles, with the one early example of Elaine May having blossomed into a whole cadre of women. If they are not as numerous as men, they are no longer noticeably scarce, either. They bring a unique perspective to the business, with comments that still reflect the Women's Movement, like Elaine Bousler at Caroline's noticing, "They use bras to set everything in this country. Who would have it? Hustler magazine while their parents are still alive?"

Comparing her own to her mother's immaculate housecleaning, she says, "You could eat off the floor in my house too," though she admits you would also have to eat the soap. The element of Jewish self-mockery is brought out in the comment, "Pac Man is the history of the Jewish people—chased while eating."

Some of the contemporary comics skip the angst routines and go right back to Vaudeville. The Flying Karamazov Brothers juggle and perform elegant, off-hand while keeping up a running patter that sounds like funny California beach talk. Their mouths are as good as their hands, leading to dates on Broadway as well as starring roles in the Goodman Theatre in Chicago's circus-setting for *The Comedy of Errors*.

This survivor saw the start of a hell of an evening called *The First New York Festival of Clown Theatre*, showing off the work of another branch of young Vaudeville entertainers. Deft hands combine with self-deprecating routines reminiscent of the "Sad sack" Emmett Kelly clown, whose failures were even hard to achieve.

Avner the Eccentric filled the auditorium of the festival for a mime comic routine in which he searched for his hat suspended on a baseball bat. He was adept at firmly stopping a member of the audience from taking photographs without alienating anyone, including the persistent and obnoxious fan. Facing an unexpected event showed a professionalism that must go with the training in mime, tricks and this generation's mastery in the "like me" school of entertaining.

Pressing the flesh

"I started out as Snow White," Mae West once said, "But then I drifted."

And so it has been through history, especially the history of cinema. In the land of showbiz, give purity half a chance and it will start sliding subtly towards prurience. The amazing thing about our "permissive" age is that a jealously guarded hypocrisy still exists in the movies and the media. And nowhere more than in the Playboy ethos. The Hugh Hefner empire, famed for serving up sex heavily garnished and almost equally heavily sanitised, has seized a corner of the video market, providing "Playboy Magazines" in cassette form (CBS/Fox).

No collector of rare, deft brio—bored should miss these. For the one-track-minded there is a sufficient acreage of peach-toned flesh, titillatingly veiled in silk or contoured and dappled in all its nakedness by clever lighting and camera-angles. But there are also hilarious lessons in how to keep the subject of the preacher's pulpit or the researcher's study wide the other is in mid-air's boudoir. Almost every slice of erotica is disguised as something else.

Among the items on offer in Playboy Videos 1 and 2 are "Biblical Classics" (earnest, Boccaccio-style erotic tales filmed through a monsoon of Vaseline), a police-style scientific visit to a condom factory, an equally solemn discussion of the many uses of a famous four-letter word; and a profile section, featuring such as Bo and John Derek or Dudley Moore ("Born with a club foot into a poor family in London...") in which the interviewee is expected to slide towards the topic of sex as soon as possible, preferably with some personal confessions thrown in.

In addition to these there is the Playboy Video piece de resistance: "Playboy Playmates Play-off." This purports to be an all-female contest but more resembles *It's a Knockout* with knockers. Young ladies clad in bikinis which seem to have been fastened with deliberate negligence about the neck, through water, into mud, over greasy poles until the climactic moment when the last vestige of upper clothing falls loose. Meanwhile the compe, a kind of American Ron Pickering, tries to keep his and our ends up by such urgent asides about that state of play as "Samantha looks to be in trouble with her

bikini-top" or "Do you think Nicky will take one hand off the pole to fasten her bathing-suit?"

What Nicky should do, of course, is to take both hands off the pole and fasten them warmly round the throat of the compe. From this po-faced, glossily packaged, chauvinist nonsense it's a relief to turn to *Bluebeard* (EMI), even though this depicts male chauvinist piggery in even more prurient form. Happily, however, it also satirises it.

Compounded equally of silliness and charm, it was produced in Hungary by the Salkinds, before they soared to *Superman* fame, and stars a gallantly

VIDEO

NIGEL ANDREWS

Balkan - accented Richard Burton, complete with dark blue goatee. Swift and gorgeous sets frame Burton's guttural presence as he delivers such lines to his various wives as "The castle is yours, darling, I am going to Vienna."

Visconti's *Death in Venice* (Warner Home Video) has no *femmes fatales* or *homines fatales* but it does have a famous *gargon fatale*: Thomas Mann's Tadzio, played by Björn Andresen. The film is hollow and magnificent by turns, as if Visconti never quite knew what he was looking for until in odd and sudden scenes—the tormented, trembling music with mortality-reeking Venice—it came up and struck him forcibly on the senses.

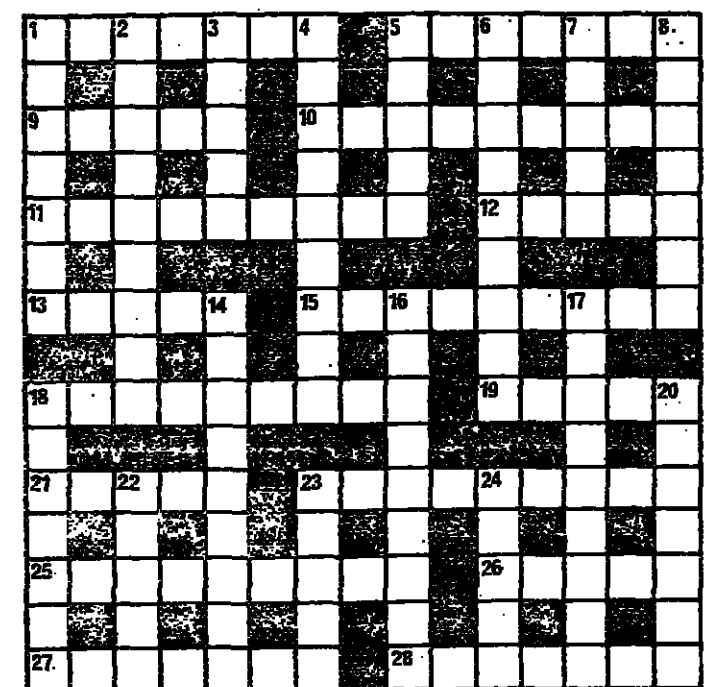
By contrast, the "Let's discuss art and philosophy" scenes between Dirk Bogarde and Mark Burns are often an embarrassment, and Andresen's icy monogamy beauty sometimes seems more of the Forthright-ton-Thomas than the Adonis variety.

In video, Visconti's wide screen is cruelly truncated and my review copy was blurry to boot. But there are virtues here you can never vanquish. Visconti was the greatest painter manqué who ever came to movies—if he had been born 500 years ago it would have been as Titian—and Bogarde's ashen-faced fustiness of a composer, wrapping himself in blankets and dabbing himself with gentian lust and *eau de cologne*—is a tour de force.

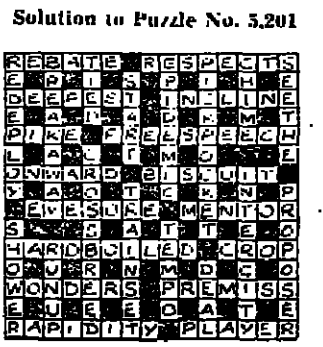
F.T. CROSSWORD PUZZLE No. 5,202

A prize of £10 will be given to each of the senders of the first three correct solutions. Solutions must be received by next Thursday, marked Crossword on the top left-hand corner of the envelope, and addressed to the Financial Times, 10 Cannon Street, London EC4A 3DF. Winners and solutions will be given next Saturday.

Name _____ Address _____



- ACROSS
- Material to choose without end, without end (7)
 - Its inhabitant must be patient (4, 3)
 - Little beast, maybe fat (5)
 - Number turning pale, in growth, for charity (3, 2, 4)
 - Extra run, result of coup? (9)
 - River — Coleridge's sacred one—given to Emerson (5)
 - Poetically under Welsh town (5)
 - He checks various things—not prices, for a change (9)
 - Pen leaked, producing about three inches of liquid (5, 4)
 - It is not, vulgarly, infection (5)
 - Rich headress: it upset a painter (5)
 - Number on a bone with vegetable at sea (9)
 - Yone cried out for a gland (9)
 - Thers but to — and — (Tennyson)—writer Smith (5)
 - In a fiddle you appear, neither lost nor stolen (7)
 - You appear again in incident still (4, 3)
- DOWN
- Food for Dad—hackneyed stuff (7)
 - Drink for pupil and savor (8)
 - Tempt holy man with date (5)
 - Company's drawback, being on the rocks, is lack of nerve (9)
 - Tamable insectivore? (5)
 - Fitting as triangles (5)
 - Row made by British Rail tool (5)
 - Drainage worker, said to be expensive in France (7)
 - Call for a cherry, possibly, in the pecking order (9)
 - Excellent thing to sow, we hear, to replace previous ones (9)
 - New way at dice, taken morning and evening (5, 1, 3)
 - With no paintings unaffected (7)
 - What the sun can do to a fellow is laughing (7)
 - Tree for man of council (5)
 - Man's father, according to Wordworth (5)
 - Some a lot of cavebirds (5)



† Indicates programme in black and white.

BBC 1

6.25 am Open University. 10.55 Leon Errol in "Wedded Bliss". 9.15 The Get Set Picture Show. 10.52 Weather. 10.55 Grandstand, including 1.05 News Summary; Cricket Fourth Test (11.00, 12.45, 1.40, 2.10, 2.40, 5.10); England v New Zealand; Football Focus (12.15); Athletics (1.10) Ivo Van Damme Memorial Games from Brussels; Racing from Goodwood (1.55, 2.25, 3.00); Show Jumping (3.20, 3.55); The Hambro Life. 10.55 Tankard Title from Rickstead; 3.45 Half-times; Swimming (3.55) The European Swimming Championships from Rome; 4.35 Final Score. 6.10 News. 6.20 Regional Variations (see below).

6.25 Blake's Seven. 7.15 Saturday Film: "Only When Larf" starring Richard Attenborough. 9.00 The Main Attraction. 9.45 News and Sport. 10.00 Match of the Day. 10.30 The Rockford Files. 11.40 Cricket: Fourth Test. REGIONAL VARIATIONS: Wales 6.20-6.25 pm Sports News Wales. Scotland 6.20-6.25 pm Scoreboard. 10.00 The Rockford Files (as BBC1, 10.50 pm). 10.30 Barbara Mandrell and the Mandrell Sisters. 11.30 Phil Silvers as Sergeant Bilko. 11.55 Scottish News Summary. Northern Ireland 5.00-5.10 pm Northern Ireland Results. 6.20-6.25 pm Northern Ireland News and Sport. 12.10 am Northern Ireland News Headlines. England 6.20-6.25 pm London Sport; South West (Plymouth); Spotlight Sport; All other English regions — Regional News/Sport.

BBC 2

6.25 am Open University. 6.15 am-6.15 am Rock Around the Clock: 15 hours of rock, music, films, concerts, documentaries. 4.25 Roman Holiday Live in Concert. 4.40 Robert Nesta Manley. 4.45 Rockpop in Concert. 5.25 Australia Now. 6.25 Duran Duran. 7.25 News and Sport. 7.30 All This and World War II. 9.00 100c Live. 9.30 Randy Newman On Tour. 10.25 Sandaia Ballet Over Britain.

BBC 2

6.25 am Open University. 6.15 am-6.15 am Rock Around the Clock: 15 hours of rock, music, films, concerts, documentaries. 4.25 Roman Holiday Live in Concert. 4.40 Robert Nesta Manley. 4.45 Rockpop in Concert. 5.25 Australia Now. 6.25 Duran Duran. 7.25 News and Sport. 7.30 All This and World War II. 9.00 100c Live. 9.30 Randy Newman On Tour. 10.25 Sandaia Ballet Over Britain.

SOLUTION AND WINNERS OF PUZZLE No. 5,196

Mrs S. M. Gaskill, 63 Ferriby Road, Hestle, North Humberside. Mrs C. J. Kramer, La Ruana, Lynx Hill, East Horsley, Surrey. Mr A. E. Hollocks, 10 Glenalmond, Norwich, Norfolk.

LONDON

6.25 am TV-am Breakfast Programme. 9.25 LWT Information. 9.30 Sesame Street. 10.30 Star Fleet. 10.55 Here's Boomer. 11.20 Space 1999. 12.15 pm World of Sports: 12.20 Football Racing; 12.45 News; 12.50 On the Ball; 1.20 The ITV SIX from Newmarket and Newcastle (introduced by John Oaksey and Derek Thompson); 2.55 Football Racing; 3.55 Cycling—the World Championships from Zurich; 4.45 Half-time Soccer News and Reports; 4.00 Wrestling; 4.45 Results. 5.05 News. 5.15 The Smurfs. 5.30 Caravaggio. 6.00 Happy Days. 6.30 Chips. 7.30 Ultra Quiz. 8.15 Saturday Night. 9.15 News. 9.30 pm Adult Movie: "Joseph Andrews" starring Ann-Margret. 11.30 London News Headlines, followed by Genesis in America. 12.25 am Close: Sit Up and Listen with Harvey Gillman.

CHANNEL 4

7.25 pm When Comedy Was King (1959). 4.20 Corral. 4.25 Well Being. 5.05 Brookside. 6.00 Hot For Dogs. 6.30 News Headlines followed by A Working Faith. 7.00 Take The Stage. 7.55 Peleat Nice Now. 9.00 The Charterhouse of Parma. 10.05 Caley Williams. 11.05 "Unfaithfully Yours" starring Rex Harrison. 54C (WALES) 2.50 pm Under Landscapes. 3.15 Manxman. 3.45 in Search of Paradise. 4.30 Mervyn the Most Of. 4.35 Switch. 5.00 Saturday Movie: "Cora Sini". 5.30 Garry's comedy. 7.20 Newsworld. 7.40 Live! with John and Helen. 8.40 Tonight's main. 10.25 News. 10.30 The Great Escape. 10.35 The Great Escape. 10.40 The Great Escape. 10.45 The Great Escape. 10.50 The Great Escape. 10.55 The Great Escape. 11.00 The Great Escape. 11.05 The Great Escape. 11.10 The Great Escape. 11.15 The Great Escape. 11.20 The Great Escape. 11.25 The Great Escape. 11.30 The Great Escape. 11.35 The Great Escape. 11.40 The Great Escape. 11.45 The Great Escape. 11.50 The Great Escape. 11.55 The Great Escape. 12.00 The Great Escape. 12.05 The Great Escape. 12.10 The Great Escape. 12.15 The Great Escape. 12.20 The Great Escape. 12.25 The Great Escape. 12.30 The Great Escape. 12.35 The Great Escape. 12.40 The Great Escape. 12.45 The Great Escape. 12.50 The Great Escape. 12.55 The Great Escape. 1.00 The Great Escape. 1.05 The Great Escape. 1.10 The Great Escape. 1.15 The Great Escape. 1.20 The Great Escape. 1.25 The Great Escape. 1.30 The Great Escape. 1.35 The Great Escape. 1.40 The Great Escape. 1.45 The Great Escape. 1.50 The Great Escape. 1.55 The Great Escape. 2.00 The Great Escape. 2.05 The Great Escape. 2.10 The Great Escape. 2.15 The Great Escape. 2.20 The Great Escape. 2.25 The Great Escape. 2.30 The Great Escape. 2.35 The Great Escape. 2.40 The Great Escape. 2.45 The Great Escape. 2.50 The Great Escape. 2.55 The Great Escape. 3.00 The Great Escape. 3.05 The Great Escape. 3.10 The Great Escape. 3.15 The Great Escape. 3.20 The Great Escape. 3.25 The Great Escape. 3.30 The Great Escape. 3.35 The Great Escape. 3.40 The Great Escape. 3.45 The Great Escape. 3.50 The Great Escape. 3.55 The Great Escape. 4.00 The Great Escape. 4.05 The Great Escape. 4.10 The Great Escape. 4.15 The Great Escape. 4.20 The Great Escape. 4.25 The Great Escape. 4.30 The Great Escape. 4.35 The Great Escape. 4.40 The Great Escape. 4.45 The Great Escape. 4.50 The Great Escape. 4.55 The Great Escape. 5.00 The Great Escape. 5.05 The Great Escape. 5.10 The Great Escape. 5.15 The Great Escape. 5.20 The Great Escape. 5.25 The Great Escape. 5.30 The Great Escape. 5.35 The Great Escape. 5.40 The Great Escape. 5.45 The Great Escape. 5.50 The Great Escape. 5.55 The Great Escape. 6.00 The Great Escape. 6.05 The Great Escape. 6.10 The Great Escape. 6.15 The Great Escape. 6.20 The Great Escape. 6.25 The Great Escape. 6.30 The Great Escape. 6.35 The Great Escape. 6.40 The Great Escape. 6.45 The Great Escape. 6.50 The Great Escape. 6.55 The Great Escape. 7.00 The Great Escape. 7.05 The Great Escape. 7.10 The Great Escape. 7.15 The Great Escape. 7.20 The Great Escape. 7.25 The Great Escape. 7.30 The Great Escape. 7.35 The Great Escape. 7.40 The Great Escape. 7.45 The Great Escape. 7.50 The Great Escape. 7.55 The Great Escape. 8.00 The Great Escape. 8.05 The Great Escape. 8.10 The Great Escape. 8.15 The Great Escape. 8.20 The Great Escape. 8.25 The Great Escape. 8.30 The Great Escape. 8.35 The Great Escape. 8.40 The Great Escape. 8.45 The Great Escape. 8.50 The Great Escape. 8.55 The Great Escape. 9.00 The Great Escape. 9.05 The Great Escape. 9.10 The Great Escape. 9.15 The Great Escape. 9.20 The Great Escape. 9.25 The Great Escape. 9.30 The Great Escape. 9.35 The Great Escape. 9.40 The Great Escape. 9.45 The Great Escape. 9.50 The Great Escape. 9.55 The Great Escape. 10.00 The Great Escape. 10.05 The Great Escape. 10.10 The Great Escape. 10.15 The Great Escape. 10.20 The Great Escape. 10.25 The Great Escape. 10.30 The Great Escape. 10.35 The Great Escape. 10.40 The Great Escape. 10.45 The Great Escape. 10.50 The Great Escape. 10.55 The Great Escape. 11.00 The Great Escape. 11.05 The Great Escape. 11.10 The Great Escape. 11.15 The Great Escape. 11.20 The Great Escape. 11.25 The Great Escape. 11.30 The Great Escape. 11.35 The Great Escape. 11.40 The Great Escape. 11.45 The Great Escape. 11.50 The Great Escape. 11.55 The Great Escape. 12.00 The Great Escape. 12.05 The Great Escape. 12.10 The Great Escape. 12.15 The Great Escape. 12.20 The Great Escape. 12.25 The Great Escape. 12.30 The Great Escape. 12.35 The Great Escape. 12.40 The Great Escape. 12.45 The Great Escape. 12.50 The Great Escape. 12.55 The Great Escape. 1.00 The Great Escape. 1.05 The Great Escape. 1.10 The Great Escape. 1.15 The Great Escape. 1.20 The Great Escape. 1.25 The Great Escape. 1.30 The Great Escape. 1.35 The Great Escape. 1.40 The Great Escape. 1.45 The Great Escape. 1.50 The Great Escape. 1.55 The Great Escape. 2.00 The Great Escape. 2.05 The Great Escape. 2.10 The Great Escape. 2.15 The Great Escape. 2.20 The Great Escape. 2.25 The Great Escape. 2.30 The Great Escape. 2.35 The Great Escape. 2.40 The Great Escape. 2.45 The Great Escape. 2.50 The Great Escape. 2.55 The Great Escape. 3.00 The Great Escape. 3.05 The Great Escape. 3.10 The Great Escape. 3.15 The Great Escape. 3.20 The Great Escape. 3.25 The Great Escape. 3.30 The Great Escape. 3.35 The Great Escape. 3.40 The Great Escape. 3.45 The Great Escape. 3.50 The Great Escape. 3.55 The Great Escape. 4.00 The Great Escape. 4.05 The Great Escape. 4.10 The Great Escape. 4.15 The Great Escape. 4.20 The Great Escape. 4.25 The Great Escape. 4.30 The Great Escape. 4.35 The Great Escape. 4.40 The Great Escape. 4.45 The Great Escape. 4.50 The Great Escape. 4.55 The Great Escape. 5.00 The Great Escape. 5.05 The Great Escape. 5.10 The Great Escape. 5.15 The Great Escape. 5.20 The Great Escape. 5.25 The Great Escape. 5.30 The Great Escape. 5.35 The Great Escape. 5.40 The Great Escape. 5.45 The Great Escape. 5.50 The Great Escape. 5.55 The Great Escape. 6.00 The Great Escape. 6.05 The Great Escape. 6.10 The Great Escape. 6.15 The Great Escape. 6.20 The Great Escape. 6.25 The Great Escape. 6.30 The Great Escape. 6.35 The Great Escape. 6.40 The Great Escape. 6.45 The Great Escape. 6.50 The Great Escape. 6.55 The Great Escape. 7.00 The Great Escape. 7.05 The Great Escape. 7.10 The Great Escape. 7.15 The Great Escape. 7.20 The Great Escape. 7.25 The Great Escape. 7.30 The Great Escape. 7.35 The Great Escape. 7.40 The Great Escape. 7.45 The Great Escape. 7.50 The Great Escape. 7.55 The Great Escape. 8.00 The Great Escape. 8.05 The Great Escape. 8.10 The Great Escape. 8.15 The Great Escape. 8.20 The Great Escape. 8.25 The Great Escape. 8.30 The Great Escape. 8.35 The Great Escape. 8.40 The Great Escape. 8.45 The Great Escape. 8.50 The Great Escape. 8.55 The Great Escape. 9.00 The Great Escape. 9.05 The Great Escape. 9.10 The Great Escape. 9.15 The Great Escape. 9.20 The Great Escape. 9.25 The Great Escape. 9.30 The Great Escape. 9.35 The Great Escape. 9.40 The Great Escape. 9.45 The Great Escape. 9.50 The Great Escape. 9.55 The Great Escape. 10.00 The Great Escape. 10.05 The Great Escape. 10.10 The Great Escape. 10.15 The Great Escape. 10.20 The Great Escape. 10.25 The Great Escape. 10.30 The Great Escape. 10.35 The Great Escape. 10.40 The Great Escape. 10.45 The Great Escape. 10.50 The Great Escape. 10.55 The Great Escape. 11.00 The Great Escape. 11.05 The Great Escape. 11.10 The Great Escape. 11.15 The Great Escape. 11.20 The Great Escape. 11.25 The Great Escape. 11.30 The Great Escape. 11.35 The Great Escape. 11.40 The Great Escape. 11.45 The Great Escape. 11.50 The Great Escape. 11.55 The Great Escape. 12.00 The Great Escape. 12.05 The Great Escape. 12.10 The Great Escape. 12.15 The Great Escape. 12.20 The Great Escape. 12.25 The Great Escape. 12.30 The Great Escape. 12.35 The Great Escape. 12.40 The Great Escape. 12.45 The Great Escape. 12.50 The Great Escape. 12.55 The Great Escape. 1.00 The Great Escape. 1.05 The Great Escape. 1.10 The Great Escape. 1.15 The Great Escape. 1.20 The Great Escape. 1.25 The Great Escape. 1.30 The Great Escape. 1.35 The Great Escape. 1.40 The Great Escape. 1.45 The Great Escape. 1.50 The Great Escape. 1.55 The Great Escape. 2.00 The Great Escape. 2.05 The Great Escape. 2.10 The Great Escape. 2.15 The Great Escape. 2.20 The Great Escape. 2.25 The Great Escape. 2.30 The Great Escape. 2.35 The Great Escape. 2.40 The Great Escape. 2.45 The Great Escape. 2.50 The Great Escape. 2.55 The Great Escape. 3.00 The Great Escape. 3.05 The Great Escape. 3.10 The Great Escape. 3.15 The Great Escape. 3.20 The Great Escape. 3.25 The Great Escape. 3.30 The Great Escape. 3.35 The Great Escape. 3.40 The Great Escape. 3.45 The Great Escape. 3.50 The Great Escape. 3.55 The Great Escape. 4.00 The Great Escape. 4.05 The Great Escape. 4.10 The Great Escape. 4.15 The Great Escape. 4.20 The Great Escape. 4.25 The Great Escape. 4.30 The Great Escape. 4.35 The Great Escape. 4.40 The Great Escape. 4.45 The Great Escape. 4.50 The Great Escape. 4.55 The Great Escape. 5.00 The Great Escape. 5.05 The Great Escape. 5.10 The Great Escape. 5.15 The Great Escape. 5.20 The Great Escape. 5.25 The Great Escape. 5.30 The Great Escape. 5.35 The Great Escape. 5.40 The Great Escape. 5.45 The Great Escape. 5.50 The Great Escape. 5.55 The Great Escape. 6.00 The Great Escape. 6.05 The Great Escape. 6.10 The Great Escape. 6.15 The Great Escape. 6.20 The Great Escape. 6.25 The Great Escape. 6.30 The Great Escape. 6.35 The Great Escape. 6.40 The Great Escape. 6.45 The Great Escape. 6.50 The Great Escape. 6.55 The Great Escape. 7.00 The Great Escape. 7.05 The Great Escape. 7.10 The Great Escape. 7.15 The Great Escape. 7.20 The Great Escape. 7.25 The Great Escape. 7.30 The Great Escape. 7.35 The Great Escape. 7.40 The Great Escape. 7.45 The Great Escape. 7.50 The Great Escape. 7.55 The Great Escape. 8.00 The Great Escape. 8.05 The Great Escape. 8.10 The Great Escape. 8.15 The Great Escape. 8.20 The Great Escape. 8.25 The Great Escape. 8.30 The Great Escape. 8.35 The Great Escape. 8.40 The Great Escape. 8.45 The Great Escape. 8.50 The Great Escape. 8.55 The Great Escape. 9.00 The Great Escape. 9.05 The Great Escape. 9.10 The Great Escape. 9.15 The Great Escape. 9.20 The Great Escape. 9.25 The Great Escape. 9.30 The Great Escape. 9.35 The Great Escape. 9.40 The Great Escape. 9.45 The Great Escape. 9.50 The Great Escape. 9.55 The Great Escape. 10.00 The Great Escape. 10.05 The Great Escape. 10.10 The Great Escape. 10.15 The Great Escape. 10.20 The Great Escape. 10.25 The Great Escape. 10.30 The Great Escape. 10.35 The Great Escape. 10.40 The Great Escape. 10.45 The Great Escape. 10.50 The Great Escape. 10.55 The Great Escape. 11.00 The Great Escape. 11.05 The Great Escape. 11.10 The Great Escape. 11.15 The Great Escape. 11.20 The Great Escape. 11.25 The Great Escape. 11.30 The Great Escape. 11.35 The Great Escape. 11.40 The Great Escape. 11.45 The Great Escape. 11.50 The Great Escape. 11.55 The Great Escape. 12.00 The Great Escape. 12.05 The Great Escape. 12.10 The Great Escape. 12.15 The Great Escape. 12.20 The Great Escape. 12.25 The Great Escape. 12.30 The Great Escape. 12.35 The Great Escape. 12.40 The Great Escape. 12.45 The Great Escape. 12.50 The Great Escape. 12.55 The Great Escape. 1.00 The Great Escape. 1.05 The Great Escape. 1.10 The Great Escape. 1.15 The Great Escape. 1.20 The Great Escape. 1.25 The Great Escape. 1.30 The Great Escape. 1.35 The Great Escape. 1.40 The Great Escape. 1.45 The Great Escape. 1.50 The Great Escape. 1.55 The Great Escape. 2.0

SPORT

Bob Fisher reports on the America's Cup
In the wake of the keel row

The renewed American interest, which began early last year, has been even more clearly shown in the leap in

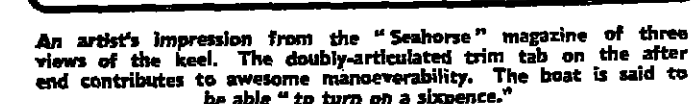
Pétrus, which produced only 1,750 cases that year, did not appear in the saleroom this season, but to judge from its performance for other vintages, it would have well exceeded the £2,160 a dozen it made in 1982. Pétrus is the wine that every affluent American collector wishes to have in his cellar, and since most of these have not been collecting all that long they rely to a great extent on the London salerooms, who in their turn often draw their wines from British private cellars.

Palmer, have moved up. The '61 of the last-mentioned has risen from a 1932 top of \$980 a dozen to \$1,450 by May, the '66 from \$420 to \$600.

Vintage port, too, after years of neglect, showed a marked rise in the season. A case of the famed Quinta do Noval '31 went for £1,800, while Taylor '35 rose to £740, Dow '27 to \$560 and Fonseca '34 to \$460. The postwar years shot up, too, with Graham '45 at £1,150 and Taylor '45 going for \$820, with the '43 following at \$600. The splendid '63s are fetching more in current cash prices, which, then, are

The market continues to rely a great deal on American buying, often done via English merchants. If its economy continues to recover and the dollar to remain firm against the pound, prospects in the sale-room are likely to remain good, particularly for clarets, which have been considerably boosted by the great demand on both sides of the Atlantic for the 1982's.

final trials. Her nine wins include five against Liberty while she has lost to her only once. Her helmsman, John Kollins, is in his first Cup campaign, a 32-year-old Texan with an impressive previous record including an Olympic silver medal, and he seems totally unimpressed by the records of others, including Dennis Conner, and not overawed by the aura of the America's Cup. He could well be the one to champion the New York Yacht Club's cause this year and is more likely than not to be the winner.



measurably faster due to the winged torpedo configuration of its keel.

The Australians have done everything possible to protect the secrecy of its shape and structure and around it an aura that is psychologically distracting to the opposition.

Ben Lexcen, the Australia II's designer, wanted to find a way round the problems associated with making a light displacement 12-metre stand upright to carry her big sail area in a stiff breeze. His bulb and wing shaped keel with its trim tabs was the solution. It was then that

of the NYCC and himself a successful America's Cup helmsman, has sought to reach agreement with the Australians that the keel is legal.

Australia II, to be the challenger when the Cup race starts on September 13, will first have to beat Victory '83 at that is by no means the foregone conclusion it was in the eyes of most people at the beginning of this summer. Peter de Savary's \$8m campaign peaking at just the right time.

Now the Savary is in New Zealand. Victory '83 has the confidence to attack

378 5569:230 0324 Grey 639
5962, East 8 1/2, West 7 1/2, 20, 30, 40, 50, 60, 70, 80, 90, 100, 110, 120, 130, 140, 150, 160, 170, 180, 190, 200, 210, 220, 230, 240, 250, 260, 270, 280, 290, 300, 310, 320, 330, 340, 350, 360, 370, 380, 390, 400, 410, 420, 430, 440, 450, 460, 470, 480, 490, 500, 510, 520, 530, 540, 550, 560, 570, 580, 590, 600, 610, 620, 630, 640, 650, 660, 670, 680, 690, 700, 710, 720, 730, 740, 750, 760, 770, 780, 790, 800, 810, 820, 830, 840, 850, 860, 870, 880, 890, 900, 910, 920, 930, 940, 950, 960, 970, 980, 990, 1000, 1010, 1020, 1030, 1040, 1050, 1060, 1070, 1080, 1090, 1100, 1110, 1120, 1130, 1140, 1150, 1160, 1170, 1180, 1190, 1200, 1210, 1220, 1230, 1240, 1250, 1260, 1270, 1280, 1290, 1300, 1310, 1320, 1330, 1340, 1350, 1360, 1370, 1380, 1390, 1400, 1410, 1420, 1430, 1440, 1450, 1460, 1470, 1480, 1490, 1500, 1510, 1520, 1530, 1540, 1550, 1560, 1570, 1580, 1590, 1600, 1610, 1620, 1630, 1640, 1650, 1660, 1670, 1680, 1690, 1700, 1710, 1720, 1730, 1740, 1750, 1760, 1770, 1780, 1790, 1800, 1810, 1820, 1830, 1840, 1850, 1860, 1870, 1880, 1890, 1900, 1910, 1920, 1930, 1940, 1950, 1960, 1970, 1980, 1990, 2000, 2010, 2020, 2030, 2040, 2050, 2060, 2070, 2080, 2090, 2100, 2110, 2120, 2130, 2140, 2150, 2160, 2170, 2180, 2190, 2200, 2210, 2220, 2230, 2240, 2250, 2260, 2270, 2280, 2290, 2300, 2310, 2320, 2330, 2340, 2350, 2360, 2370, 2380, 2390, 2400, 2410, 2420, 2430, 2440, 2450, 2460, 2470, 2480, 2490, 2500, 2510, 2520, 2530, 2540, 2550, 2560, 2570, 2580, 2590, 2600, 2610, 2620, 2630, 2640, 2650, 2660, 2670, 2680, 2690, 2700, 2710, 2720, 2730, 2740, 2750, 2760, 2770, 2780, 2790, 2800, 2810, 2820, 2830, 2840, 2850, 2860, 2870, 2880, 2890, 2900, 2910, 2920, 2930, 2940, 2950, 2960, 2970, 2980, 2990, 3000, 3010, 3020, 3030, 3040, 3050, 3060, 3070, 3080, 3090, 3100, 3110, 3120, 3130, 3140, 3150, 3160, 3170, 3180, 3190, 3200, 3210, 3220, 3230, 3240, 3250, 3260, 3270, 3280, 3290, 3300, 3310, 3320, 3330, 3340, 3350, 3360, 3370, 3380, 3390, 3400, 3410, 3420, 3430, 3440, 3450, 3460, 3470, 3480, 3490, 3500, 3510, 3520, 3530, 3540, 3550, 3560, 3570, 3580, 3590, 3600, 3610, 3620, 3630, 3640, 3650, 3660, 3670, 3680, 3690, 3700, 3710, 3720, 3730, 3740, 3750, 3760, 3770, 3780, 3790, 3800, 3810, 3820, 3830, 3840, 3850, 3860, 3870, 3880, 3890, 3900, 3910, 3920, 3930, 3940, 3950, 3960, 3970, 3980, 3990, 4000, 4010, 4020, 4030, 4040, 4050, 4060, 4070, 4080, 4090, 4100, 4110, 4120, 4130, 4140, 4150, 4160, 4170, 4180, 4190, 4200, 4210, 4220, 4230, 4240, 4250, 4260, 4270, 4280, 4290, 4300, 4310, 4320, 4330, 4340, 4350, 4360, 4370, 4380, 4390, 4400, 4410, 4420, 4430, 4440, 4450, 4460, 4470, 4480, 4490, 4500, 4510, 4520, 4530, 4540, 4550, 4560, 4570, 4580, 4590, 4600, 4610, 4620, 4630, 4640, 4650, 4660, 4670, 4680, 4690, 4700, 4710, 4720, 4730, 4740, 4750, 4760, 4770, 4780, 4790, 4800, 4810, 4820, 4830, 4840, 4850, 4860, 4870, 4880, 4890, 4900, 4910, 4920, 4930, 4940, 4950, 4960, 4970, 4980, 4990, 5000, 5010, 5020, 5030, 5040, 5050, 5060, 5070, 5080, 5090, 5100, 5110, 5120, 5130, 5140, 5150, 5160, 5170, 5180, 5190, 5200, 5210, 5220, 5230, 5240, 5250, 5260, 5270, 5280, 5290, 5300, 5310, 5320, 5330, 5340, 5350, 5360, 5370, 5380, 5390, 5400, 5410, 5420, 5430, 5440, 5450, 5460, 5470, 5480, 5490, 5500, 5510, 5520, 5530, 5540, 5550, 5560, 5570, 5580, 5590, 5600, 5610, 5620, 5630, 5640, 5650, 5660, 5670, 5680, 5690, 5700, 5710, 5720, 5730, 5740, 5750, 5760, 5770, 5780, 5790, 5800, 5810, 5820, 5830, 5840, 5850, 5860, 5870, 5880, 5890, 5900, 5910, 5920, 5930, 5940, 5950, 5960, 5970, 5980, 5990, 6000, 6010, 6020, 6030, 6040, 6050, 6060, 6070, 6080, 6090, 6100, 6110, 6120, 6130, 6140, 6150, 6160, 6170, 6180, 6190, 6200, 6210, 6220, 6230, 6240, 6250, 6260, 6270, 6280, 6290, 6300, 6310, 6320, 6330, 6340, 6350, 6360, 6370, 6380, 6390, 6400, 6410, 6420, 6430, 6440, 6450, 6460, 6470, 6480, 6490, 6500, 6510, 6520, 6530, 6540, 6550, 6560, 6570, 6580, 6590, 6600, 6610, 6620, 6630, 6640, 6650, 6660, 6670, 6680, 6690, 6700, 6710, 6720, 6730, 6740, 6750, 6760, 6770, 6780, 6790, 6800, 6810, 6820, 6830, 6840, 6850, 6860, 6870, 6880, 6890, 6900, 6910, 6920, 6930, 69

shifting, occasionally erupting crust. There are graphics showing the average life expectancy in each continent: 74 years in Asia, 75 in Europe, 76 in North America, 77 in South America, 78 in Africa, 79 in Australia, 80 in Antarctica.

هكذا من الفصل

A four-timer for McEnroe?

next month at a cost of £40 a head, though the hotel will only be three star. But Southampton weekends will finish with a bang, as the hotel will only be three star. But Southampton weekends will finish with a bang, as the hotel will only be three star.

Ian Hamilton Fazez

وَمِنْ أَهْلِ الْبَيْتِ

1

Try a Scouse pilgrimage

1

10

ton weekends will finish with a season.
 with formal in the New York Herald Tribune, then not last year. Ian Hamilton Fazel

Saturday August 27 1983

Growth back on the agenda

THIS is a story in two parts. The first is familiar, and looks eerily gloomy; the second part does not.

For more than a decade before the great inflation which took hold under the premiership of Edward Heath, economic growth was the main subject of British politics. We have been struggling with inflation ever since.

It is not altogether a compliment to Mrs Thatcher that we now seem to be preparing for a second innings of growthmanship. The inflation performance is certainly a great deal better, but the problem is not yet solved. However the growth outlook, according to the consensus of forecasters, is now so good that this seems the greater problem.

Social spending

Since unemployment has been rising with little interruption for more than a decade, it is surprising in a sense that slow growth has been accepted so passively; but for two reasons, public opinion has been fairly quiet—and indeed remains so. First, it is pretty generally understood that British industry is dreadfully sloppy by international standards; the demise of incurably inefficient industries and the reduction in manpower in those which are still capable of driving for improved productivity, is widely seen as inevitable. Indeed, it now seems that even the TUC accepts the fact that high unemployment is likely to persist for a long time; according to Mr Len Murray, the trade union issue now is a fairer sharing of the available work. Nobody is talking as if the sort of growth which would reduce unemployment significantly—something over the old target of 4 per cent, to judge by recent productivity figures—is achievable.

But if the public is becoming resigned to a sluggish economy, the Government cannot afford to be. The reason is stark: the population is now ageing, and the country must carry an increasing burden of social spending over the next decade. If we are to carry that burden without imposing a steadily increasing load on the working population we need growth—an average of 3½ per cent annually just to prevent the tax burden from rising. Yet according to most of the pundits—the National Institute, supported by a majority of brokers—to achieve even this sluggish average will be a formidable task. Our present recovery, they say, will soon peter out, as real incomes stop rising, and we will be dependent on exports and investment for any future growth. Investment is falling, and the last trade figures were terrible.

Are things really as bad as all that? The Government is at any rate preparing for the

worst, as is only prudent; the agonised drive for economies in public spending is the result. It might make it possible to avoid large tax increases; and in any case the job is worth doing for its own sake.

Understated

However, there are reasonable grounds for hoping that things may be better than they seem. First, the figures which lie behind much of the gloom—the sluggish output index—are very probably wrong. This is not because economic statistics are inaccurate, though they are—it has just emerged, for example, that the published figures for public sector capital investment last year were understated by no less than 20 per cent. What is more important, they are not only inaccurate, but probably biased towards gloom.

This is because the output index is overdue for rebasing. An accurate index must reflect the structure of the economy as it is, not as it used to be; otherwise, to illustrate from an imaginary example, you might get gloomy about the appliance industry because of falling sales of spin-driers. You may also leave brand new industries—computer software or videotapes—clean out of account. Next month we will see an index based on 1980 weights rather than 1975 weights; probably just as when the 1975 rebasing was introduced, we will discover that we haven't been doing so badly after all.

The more buoyant expenditure index, which shows growth at over 3 per cent, may be more accurate because the structure of the economy is changing rapidly; and this pace of change is itself a source of hope for the longer term. Britain is now European growth leader in a number of industries of the future—electronics, computing, telecommunications. Indeed, one of our big problems at the moment is that the European economy as a whole—and it is overwhelmingly our main export market—is more sluggish than ours.

Export opportunity

It is a useful exercise, at times like this, to practise looking at the bright side of everything that is argued as a cause for gloom: it is usually there. If our main export markets are depressed, one might say that they have nowhere to go but up. If high real interest rates are discouraging investment, it is worth remembering that they encourage consumption; if only because it costs much less to fund pensions. If the dollar is forbiddingly high, that should be an export opportunity. And remember, always, that pundits, even the consensus of pundits, are often wrong—like the ones who said Ian Botham was finished.

field-day for lawyers called upon to define the meaning.

While we are on the subject of plain English please take care to define the terms used in your own financial news items. For example, when you state that a foreign make of car, assembled in Britain, is 60 per cent British, do you mean 60 per cent by weight, cost, or number of components?

Similarly, when you say that a dividend has increased by one per cent, do you mean that it has gone up by one, from five to six per cent, which is 20 per cent, or by 0.05, from 5.05 per cent?

R. N. P. Apson.
79 Goughill, Guildford, Surrey.

Tenants

From Mr Harvey R. Cole

Sir,—As Miss North rightly says (August 23) the sale of council houses to tenants is a huge and complicated subject. However, from careful study of several aspects of it over a number of years, I suggest that several fairly simple points are now well established.

1. The most detailed analytical investigation of the financial consequences for local authorities strongly suggests that, in the longer run, such sales will worsen rather than improve the position.

2. Such studies were carried out before the recent series of very substantial imposed increases in council rents. As these have coincided with a fall in mortgage interest rates, we now have a situation in which rents often exceed mortgage payments. In addition, many local authorities now have a surplus on their housing account, after all outgoings and expenses, so that tenants are in effect subsidising the general body of ratepayers—not the other way about.

3. To the extent that councils are facing rent arrears and the large increase recently appears to be mainly due to the extraordinary incompetence of central government's new scheme for administering housing benefit, a policy of selling off council houses would not do

THE ENGLISH soccer season starts this afternoon and, as the 92 clubs in the Football League prepare for the kick-off, they know they are on trial this year as never before.

Many clubs face severe financial difficulties—as they have for several years—but this season holds out the prospect of a major new source of funds: advertising sponsorship.

● For the first time, under a deal struck between the League and the TV companies, broadcast matches will show players with advertisements on their shirts.

● In another first, Canon, the Japanese electronics company, is to sponsor the League championship to the tune of £3m over three years.

“Football has suddenly received a massive bonus,” says Mr Graham Walker, the League's commercial manager.

Nevertheless, the clubs know that the new funds could disappear as swiftly as they have arrived if football fails to attract the right audiences—both to the grounds, and more especially to the TV screens. That means playing bright, attractive football and clamping down on hooliganism.

Football sponsorship is not entirely new in Britain. For years advertisement hoardings at club grounds have been visible on TV screens. Some of the more successful clubs have also carried sponsors' advertisements on players' shirts for a few seasons. But until now the TV companies have refused to allow these shirts to be shown on the screen.

The breakthrough came this summer when, after months of tortuous negotiations, the League reached agreement with the BBC and ITV on a two-year contract for match coverage. For a sum of £5.3m, the BBC is to send out recorded match highlights on Saturday nights and the ITV on Sunday. In addition—for the first time—the two will be able to show a number of live matches. In return, they will allow sponsors to advertise on shirts during broadcast matches.

What will the advertisers and



the clubs each get out of their new relationship?

The sponsors' generosity is not hard to fathom. Shirt advertising deals vary considerably, depending on the status of the club, but some sponsors are understood to be paying several hundred thousand pounds for a three-year arrangement.

Yet, as one advertising agency points out, “with the average First Division club receiving approximately 5½ hours television coverage each season, the question would suggest exposure to the sponsor's product equivalent to £7.5m worth of television advertising.”

That said, sponsorship is not nearly as effective as a TV campaign in getting a message and brand name across.

One major sponsorship deal agreed this season is between Queen's Park Rangers, the West London club, and Guinness, reported to be costing the

company £450,000 over the next three years.

“We're building up a more youthful image for the brand,” says Mr Ernest Saunders, Guinness managing director. With advertising targeted at the 21 to 30 year age group, football sponsorship seemed a “must.”

Why Queen's Park Rangers? Partly because Guinness has a local brewery. But also, says Mr Saunders, because “we were looking for a team that would be newsworthy. QPR is new to the First Division and has exciting plans under Terry Venables, a shrewd and popular manager.”

In sponsoring the League championship, Canon is following in the footsteps of the National Dairy Council, which already backs the League Cup knock-out competition. Milk is seen as a healthy product, and therefore links up well with soccer. Canon's motives are



different. Although the company is well-known in the UK for its cameras and business equipment, it felt that its overall corporate image was not keeping pace.

The sponsorship, says Mr Martin Laves, financial director, “means we are associating our company with the biggest and best club football competition in the world. There is no better return on investment than buying quality.”

Even before the TV shirt advertising breakthrough, sponsorship was a valuable source of club income. Mr Denis Howell, the former sports minister now heading an inquiry into sponsorship, believes it was worth a total of £8m last season. That compares with just £35.23m earned by clubs in gross gate receipts (less 15 per cent VAT) in 1981-82. Sponsorship income could well rise to £10m this season.

However, this money will not

be spread evenly thus widening the gap between the successful clubs and the small fry.

Obviously, shirt sponsors are going to pay more to be with the big glamour clubs. The national sponsorship deals by Canon and the National Dairy Council will have a similar effect.

Canon is giving about half the cash to all League clubs on a sliding scale which varies between £10,000 for a First Division team to only £2,000 for a Fourth Division club. The balance will be handed over to the leading teams in each league at the end of the season. The championship itself will be worth £50,000 while top position in the bottom league will be worth just £8,000.

The Dairy Council has already adopted this method during its first year's sponsorship. Its cash hand-outs increase as a club progresses through each round of the competition.

The impact of all this will be accentuated by a further change this season in League practices: home clubs are now allowed to keep all gate receipts, whereas in the past visiting clubs were given 30 per cent of turnstile income.

The loss of revenue from visits to big stadia, such as White Hart Lane, the home of Tottenham Hotspur, will hit the smaller clubs—which have over the years lost many of their spectators to the larger clubs.

According to Sir Norman Chester, who headed a recent inquiry into the Football League, over three-quarters of English spectators now attend matches on the grounds of the 44 clubs in the top two divisions.

But even many First Division clubs are in a parlous financial state. Report and accounts from football clubs are invariably late and the information they contain varies between the meagre and the inadequate.

Arthur Andersen, the accountants, found in a recent survey of four First Division clubs that only Ipswich Town made a profit in 1981—and that was just £198,000, taking into account £200,000 income from lotteries and the like.

The balance sheet analysis was equally instructive. Notts County, for instance, which lost

£71,000 last year after lottery income but before dealings in the transfer market, had net worth of just £23,000. Its fixed assets were shown at £131m but long-term debts were £700,000 and its net current liabilities amounted to £593,000.

The most common explanation of football's financial woes is a steep decline in attendances. With a few exceptions, these have slumped—from a postwar peak of 40m to last season's total of 18.75m, a drop of 1.25m paying customers from the season before.

But, as the Chester report discovered, declining attendances have a limited bearing on gate receipts. By pushing up prices, installing more seats at the expense of terracing and, not least, by selling executive boxes to local companies, the clubs have more than made up for the lack of numbers at the grounds. Between 1958-59 and 1981-82, the report states, attendances dropped by 40.5 per cent but gross receipts climbed 677.7 per cent against a 540.8 per cent increase in general price levels.

Nevertheless, this has not been enough to ward off financial hardship and sponsorship could become a crucial lifeline.

Whether the lifeline will prove long-lasting depends on the attendance and TV viewing figures football commands.

Mr Howell, the former Labour minister, fears that the television companies will cut their sports broadcasting. He cites Central TV's withdrawal from midweek horse racing.

Mr John Bromley, head of sport at London Weekend Television and chief negotiator with the Football League for the independent television companies, denies that attitudes are changing although he acknowledges that “money is tighter and we are taking a look at every area of product.”

He says he is “very optimistic” about the new deal with the League, “provided football gets behind it.”

“Football is a nervous sport at the best of times,” Mr Bromley says. “I just wish it would get on and produce a decent game.”

Additional research by Trevor Bailey and Fiona McEwan.

PROFESSIONAL FOOTBALL

Sponsors put their shirts on it

THE AMERICAN WAY—A \$1bn TV BASEBALL CONTRACT

BOWIE KUHN, the \$250,000 a year Commissioner of Baseball, has run America's No. 1 national pastime for the past 14 years. But, as of a fortnight ago, Mr Kuhn is out of a job.

Mr Kuhn's fault, in the eyes of the owners of America's 26 major league baseball teams, was that he was not business like enough. Admittedly, he had recently pulled off a \$1bn contract for the TV rights to baseball games over the next five years but, as the press was quick to point out, this worked out at an average of only \$7.5m per team per season—little more than half the \$14.2m received annually from network TV by

teams in the National Football League.

So what Mr Kuhn's contract came up for renewal, a group of owners led by Nelson Doubleday, the book publisher, August Busch of the Anheuser-Busch brewing empire and Ted Turner, the broadcasting magnate, decided that a change was needed at the top of the game. They are still looking for a successor, but Bill Simon, the former U.S. Treasury Secretary, is understood to be one of the four candidates on the shortlist for the job.

Although America's baseball teams are still led by colourful figures, only a couple of family owned teams

remain: the Los Angeles Dodgers and the Minnesota Twins. The majority are run by corporations.

Baseball is very big business in the U.S., having backed the trend to smaller crowds which has hit so many other sports. But the clubs have had to spend heavily on players (salaries of more than \$1m a year are not uncommon) and promotion. Each team plays an average 160 games a year and the clubs work hard to keep the fans moving through the turnstiles.

One of the commonest ways of pulling in the crowds is to give away products such as caps, baseball bats or tote

bags. Hamburger chains such as McDonald's sponsor evenings at some clubs, which they call McDonald's Cap Nights. McDonald's pays for the caps and in return gets a lot of publicity while the club gets higher attendances.

Each club organises its own sales promotions. The major league Baseball Promotion Corporation, owned by all the clubs, charts the cost of a promotion and the number of fans it attracts, and passes on the results to other clubs. The Dodgers and the New York Yankees, which have large populations on their doorstep, have little difficulty in filling their grounds, but the Cincinnati Reds or the Kansas City

Royals, which have small catchment areas, have to go up to 300 miles away to attract fans to their games. They organise weekend trips with cheap hotel accommodation and school programmes where teachers submit the names of children with the highest marks in class and get free tickets in return.

The U.S. baseball industry is always searching for new sources of revenue. It earns substantial sums from licensing team logos to retailers, through a subsidiary of Warner Communications. During the game it is normal for a well-known car producer, such as Toyota, to provide a car on the pitch to

transport the relief pitcher from the “bull pen” to the centre of the field when he is called to play.

Indeed, when Warner Lambert, the major U.S. drug company, had problems promoting Rolaid's, its indigestion tablet it called in the Baseball Promotion Corporation for help. The result was the Rolaid's Relief Pitcher of the Year Award. This has been so successful that stars like the New York Yankees' relief pitcher “Goose” Gossage have clauses in their contracts which say that if they win the award they will get an additional bonus.

William Hall

Letters to the Editor

Chilling

From the Managing Director of Belvedere Limited

Sir,—Does not the letter from the Head of Industrial Relations at The Industrial Society (August 24) make interesting if somewhat chilling reading?

It, as he declares, “All of us from both parts of the industry seek to promote the fullest political freedom,” he ought not to engage so readily in the encouragement of division and defiance. If he truly means what he says, he must allow an equal opportunity to those on the political extremes to promote their views in industry, within the laws of the land.

Nowhere in the letter is there a mention of any means of improving relationships, nor any encouragement to comprehend what is within the grasp of companies. If they will only venture outside common business practices. It would be readily possible for BL to lead the world in car manufacture, for they already employ all the talent to attain that eminence.

What the “mobs” have to offer is rubbish in terms of industrial human need. But it could appear golden to many humans tired of indignity, unnecessary constraints, a debilitating work environment, and a management sans eyes and ears to make expression credible.

We can change attitudes, and rid ourselves of language that speaks of “both parts of industry,” and “control” of industrial relations.

We shall change it as soon as we recognise that subversion, which is practised by manager against manager, as well as by mobs, is only possible in work environments that demean the human condition.

Incidentally, mass-production factories do not of themselves demean people. Only people do that.

John Ball,
56, Walcot Street,
Bath, Avon

Field-day

From Mr R. N. P. Apson

Sir,—If the word “herein-after” is replaced by “later” in legal documents, I foresee a

Robbed

From Mr D. Nicholson

Sir,—With reference to “Men and Matters” (August 11), The Association for the Rights of Britons Abroad may, with a modest alteration to their name, make rather more impact in their quest to secure voting rights for British residents temporarily residing abroad. If their name were changed to Rights of Britons Disenfranchised, they could claim—with total justification—to be ROBD.

D. Nicholson,
1, Fulton Grove,
Darentham,
Northwich, Cheshire

Link

From Mr Peter Gorb

Sir,—Both Sir John Mason, head of the Meteorological Office, and your writer of August 23 do not address themselves to the key point about economic and weather forecasting: the direct link between weather forecasting and business performance.

Surely Britain's historically unequal business performance is directly related to the unpredictability of its weather? On the analogy of the difficulty of selling ice cream to Eskimos, how much better we would manage, our investment in manufac-

tured stocks if we could more accurately predict cold spells for the sale of central heating and car batteries, or hot spells for the sale of bikinis and refrigerators.

If I suspect there are few manufacturing or services businesses which are not weather related, are we not, as concerned business men working in an unpredictable climate, investing in the wrong kind of forecasting?

I work sir, at the London Business School almost entirely surrounded by one kind of forecaster. Cowardice motivates me to write about their demise and replacement by weathermen from a place where post prandial discussion has always promoted ideas. I remember from the cross fertilisation of disparate disciplines. Indeed my choice of words reminds me of a similar discussion on sex and the weather when Nancy Mitford first published “Love in a Cold Climate.”

Peter Gorb,
69, Brook Street, London W1

Defence

From Mr J. A. Stark

Sir,—Outside of the U.S. democracy is at its strongest in Europe and given that this is buttressed by the economic strength of the EEC, the question of defending that situation would seem not open to discussion. It is to be remembered that the last Chancellor of West Germany, Helmut Schmidt was one of the joint leaders who saw the escalation of Soviet nuclear power in Eastern Europe as a major threat to democracy and requested the U.S. for provision of Pershing and Cruise missiles in Europe as a means of countering the Soviet threat.

Given that the financial resources of a country reflect the economic strength of that country, then West Germany is the second largest bastion of capitalism. It is unlikely to be agreed that the combination of democracy with a sound economy has shown itself to be one of the better products of human endeavour to date.

In attempting to provide the

continuity of these principles there would seem to be a serious lack of commitment to these ideals given recent publication of West Germany's spending on her own defence and also the willingness to participate in a manner which would further these aims.

DEFENCE SPENDING

as % of GNP

| | 1975 | 1982 |
|---------|------|------|
| U.S.A. | 5.4 | 6.2 |
| Britain | 5.2 | 5.6 |
| France | 3.7 | 4.1 |
| Germany | 3.5 | 3.4 |

The figures speak for themselves and their negativity are rejected by a recent West German spokesman quote “that it was unlikely that the West German population would be prepared to increase its spending on its own defence.”

Having also read in the same article that West Germany's maritime defence forces are all now being aimed at an Atlantic role rather than a North Sea/Baltic role where one imagines her defence interests should lie the whole scenario becomes rather blurred especially when one considers that Britain has the highest number of people unemployed combined with the fact that we remain the highest net contributor to the EEC Agricultural Policy. All of which suggests that if West Germany has funds available (your article August 18) it would be better spent on providing employment within the EEC rather than in Comecon countries, at least until the Salt talks have hopefully come to a positive conclusion to the benefit of all.

J. Stark,
12, Storey Park, Yatton, Bristol.

Harbledown

From Lady Jane Bruce and others

Sir,—Harbledown is a quiet, unspoiled village little more than a hop's throw from Canterbury. I do not live there but I have dear friends who do. They are both printers and have worked at their art peacefully and in seclusion for some years now.

There seemed to be no reason why this peace—hard earned, mind you—should ever be disturbed. Now it seems, if the

planners are to have their way, the villagers are to have thrust upon them a Japanese style (and this is Kent, not Kyoto!) plastic and cement Leisure Centre!

Who are they, these people that they can—gleefully, I suspect—despoil countryside adjacent to a conservation area of special environmental value? And as if that were not enough, deface the skyline with plastic faced metal roofs of coloured aluminium?

This lovely village has been saved once by intelligent motorway planning. Is it now to be ravaged and left gasping from the suppurating wounds of raucous discos, 24-hour car parks and late night revellers?

I think Mammam can best be served where he is sought, and Harbledown doesn't want him or his followers, thanks very much.

Lady Jane Bruce,
Bill Owen,
Harry Lovelock,
9, Queen Close,
Henley-on-Thames, Oxon.

Gold

From the Chairman of Shaw Cavendish

Sir,—As chairman of a gold bullion company it is expected that I should be sympathetic to Major Warren who is critical of Samuel Brittan and Nicholas Colchester for not mentioning “gold” when discussing “the world monetary system” (August 24).

The answer I am afraid is worse than he imagines. It is simply their ain't enough gold in the whole world to make any significant relationship with paper currency. Unless one revalues gold from today's price of \$223 an ounce to, say, \$10,000 an ounce, or if it won't frighten the world's bankers, dare one say even \$100,000 an ounce. But this will not happen so we must all face the fact that gold will never again be introduced into the world's monetary “growth” system.

W. Shaw,
Cavendish House,
Eversley Park,
Chester.

COMMODITY INFORMATION FOR SALE

The Financial Times World Commodity Report combines the unrivalled accuracy and authority of the FT—with its worldwide news-gathering resources and highly developed research facilities—with the exclusivity, depth-of-detail and conciseness of a specialist newsletter.

Each week, World Commodity Report (available in separate editions for metals and soft commodities) provides a broad perspective of the whole commodity trading field—analysing the influences affecting longer-term futures and reporting vital facts, figures and market movements. Specific coverage is provided on:

- ☐ Commodity agreements
- ☐ International negotiations
- ☐ Crop and production statistics
- ☐ Market controls

To: The Marketing Department, FT Business Information Ltd., Bracken House, 10 Cannon Street, LONDON EC4A 3DF.

Please send me a sample copy of World Commodity Report together with full subscription details.

Name _____
Position _____
Company _____
Address _____
Telephone _____
Nature of Business _____

Ropner slumps to £1.4m but expects better second half

AS A result of lower returns from all divisions, coupled with a much higher interest charge, Ropner slumped to £1.4m against £3.4m in the six months to the end of June 1983.

Turnover for the six months to the end of June 1983 climbed from £12.7m to £19.5m but operating costs rose by £7.1m to £17.6m, and interest payable more than doubled to £1.0m against £0.5m in the previous period.

During the period no properties were completed and sold, but the directors say that several developments are in progress, and sales are expected in the second half. They add that group profit in the latter half of the year is expected to be substantially better than that achieved in the first.

The interim dividend is maintained at 1.75p per 25p share and earnings per share are given as 2.1p against 7.5p for the comparable period.

A detailed breakdown of pre-tax profits shows (in £000): Shipping £448 (£727); engineering £1,800 (£2,281); insurance broking £197 (£172); property development £33 loss (£323) profit; investment income £1,000 (£1,000); directly related to trading activities £374 (£518). The comparable figures only include three months of parent and nine months of shipping companies.

Depreciation was up from £891,000 to £1,000,000 and last time there was a £175,000 credit for provision for ship surveys and deferred repairs no longer required.

The rise in interest payable arose from a full six months' charge relating to the loans on ships. The loan on the ship Kestrel and Salmonpool acquired in 1982. Until April Salmonpool was laid up, but has since then operated on a time charter for 12 months which reduces the loss compared with the lay-up and there is a charter's option to extend for a further six months at an increased rate. All other ships are on long-term charters.

The company's engineering subsidiary, Airtech, suffered a setback in profits as a result of delays in long-term contracts.



Mr. Eric Morley (left), executive chairman of Miss World, and Mr. Michael Ashcroft, of the Hawley Group, who is joining the board.

Miss World on target to achieve forecast

IN RESPECT of the year 1983 the Miss World Group is on target to achieve the minimum £300,000 profit forecast in April when it was launched on the USM.

First half results are ahead of budget with turnover of £355,000 producing a pre-tax profit of £93,200. With the Miss World Kingdom and Miss World contests accounting for the second half, that period is now the more predictable. This means that comparison with the previous year is not possible as the year end was changed from March 31 to December 31.

After tax £37,400 the earnings are shown at 2.50p per share. The interim dividend is the promised 1p—a total of 3p has been forecast.

A contract has been agreed with a UK company for the marketing of a Miss UK doll and accessories, bearing a likeness to the newly-elected winner, and will be in the shops by Christmas. If this contract is successful the marketing of a Miss World doll will follow and other merchandising contracts are being discussed.

Mr. Eric Morley founded the Miss UK, Miss World, and other beauty contests, and is the executive chairman of the group. The Hawley Group has a 22 per cent stake and its chairman, Mr. Michael Ashcroft, is joining the board of Miss World Group.

comment

These are the first figures from Miss World since it went public in April. Most of the company's revenue comes from sponsorship of the Miss World beauty contest, but also from the sale of television rights for the five beauty contests. These contracts are of three years duration and are signed at the beginning of the year so the company's forecast of £300,000 pre-tax profit for the full year should certainly be realistic. Along its present lines, however, the company's prospects must be limited by its dependence on its one very marketable commodity—pretty women. But in the longer term the addition of Mr. Michael Ashcroft, Chairman of Hawley's, to the board of the group could be significant. In tandem with the enterprising Morley's this move could see the group expand into other leisure activities. The shares were up 5p to 170p which could well reflect some "novelty value" at that level, but the company's P/E ratio of 22.9 on a full tax charge.

Highgate & Job reduces full year loss

Full-year taxable losses of the Highgate & Job Group have been cut back from £261,227 to £165,516, largely due to a £144,503 reduction in the oil drilling loss to £164,997.

Most of the trading loss and extraordinary costs were incurred at Liverpool, and this clouded improved results achieved at Paisley, say the directors. They add that Liverpool has now closed and sale of the site should be completed shortly.

However, they say, this year's results should show much improvement over those of the last few years, and barring any fundamental changes the group should show a small profit for the current year to the end of March 1983, turnover fell to £5.91m against £7.16m, and a lower profit of £38,499 (£43,122) was made in the protein division.

The holding company fell £39,088 into the red, compared with £25,000 profit in last year. The loss per 50p share emerged at 17.7p (28.3p) after a tax credit of £2,634 (£1,300). There was an extraordinary debit this time of £22,707, against a £17,616 credit.

Linread, the West Midlands manufacturer of cold formed fasteners has revealed that it is to undergo a substantial restructuring in the last time, with losses, which stretched to £355,000 in the half year to February.

Mr. Michael Hughes, the chief executive, said that the company is planning to sell subsidiaries that are peripheral to the main manufacturing division.

In July, as a prelude to this overall restructuring, the wholly owned subsidiary Fabco, a distributor of fasteners to the construction industry, was sold to the SFS group of Switzerland for £4.4m.

Mr. Hughes was brought from Serck, BTR's valve manufacturing subsidiary, in June. He said he thought the restructuring was unavoidable given the continued depressed state of the company's major domestic markets, though recently there had been a slight upturn in the vehicle sector.

Approximately 120 jobs have been saved in Linread's UK operations in the past few months leaving a reduced workforce of 560.

Ward Holdings, reflecting a reversion to normal trading conditions, profits of property developer Ward Holdings have trebled to £550,000 compared with £302,000 for the half-year ended April 30 1983.

The directors forecast that the full year's trading should be satisfactory having regard to the problems created by the very wet winter.

The interim dividend is being held at 1.10p per share, and is subject to waivers on 1.15m shares. The directors and their families control 55 per cent of the ordinary capital.

Bulgin (A.F.) has decided to reorganise the group into two main divisions, which are the component design and manufacturing plant at Barking, together with Bulgin's oil and gas; the company's oil, gas, mineral and other investments, and Broxley Holdings at Broxbourne.

Member companies are: Broxley, Solent Component Supplies, Projex Distribution, Ambit International.

Mr. A. R. Bulgin has been elected to the board following the retirement of Gladys Woodward.

Scoteros hit by French troubles

BY RAY MAUGHAN

Scoteros, the Glasgow-based conglomerate, has been forced, by what it calls a concentrated series of political strikes, to close its Bouchage Moderne wine bottle closure plant at Argenton-sur-Creuse, some 300 kilometres south of Paris.

The knock-on effects of this liquidation include a proposal to lift the group's borrowing limits because the debt deed has been breached, an auditors' qualification of the accounts for the year to March 31 and a hearing before a French industrial tribunal in respect of the compensation payable to the staff in charge of Bouchage Moderne.

Recognising that James Finlay, the international trading group, which is also based in Glasgow, has raised its holding in Scoteros from 12.06 per cent to 25.28 per

per cent over the past year, the group has invited a Finlay representative to join the board. Mr. W. Lamond was accordingly appointed with effect from August 1.

The existing borrowing limit under the terms of the deed of declaration is £6.7m but, after providing for the liquidation, debt had risen to £5.5m by the balance sheet date and for seasonal reasons, has since climbed to £9.7m. By lifting the limit from one and a half times net worth to two and a half times, which will be put to holders of the 8 per cent secured loan stock 1985-88 at a meeting on September 19, the debt ceiling will be increased to £12.92m.

The coupon on the stock is to be raised from 6 per cent to 9 per cent and redemption, in full at par, will take place on June 30 next year.

Bouchage Moderne, which was acquired for the equivalent of £150,000 in October, 1979 but as a result of what the group describes as niggling industrial disputes culminating in the concerted political strikes in the spring, the subsidiary has lost some £500,000 in the past 34 years and £100,000 in the year to March 1983. Subsequent losses, before Scoteros was forced to "close the door" on 138 employees, have been about £50,000.

The French statutory auditors have asked the company to provide £537,000 against the closure, which assumes that the plant has a sales value of £476,000. The UK auditors, Deloitte Haskins and

Sells, note that "other group companies in France may have aggregated on September 19 the possible losses" of the equivalent of £101m, which assumes that the plant has no residual value.

The group is also asking shareholders to approve at the annual meeting on September 19 the removal from the board of Mr. R. A. Civrays. Having joined the board in 1977, Mr. Civrays has been responsible for Bouchage Moderne but resigned from all executive duties for health reasons in September last year and has played no part in the management of either the French companies or the group since then. He has not, however, resigned from the main board and his colleagues are now calling for his removal.

What changed our minds was the impression that got of Mr. Perry, and a realisation of the changes that had taken place over the past two years," Mr. Mills said.

Waddington's shares strengthened still further yesterday, closing 8p up at 270p. BPCC shares ended the day 2p stronger at 109p.

Mr. Gavyn Mills, investment manager at Norwich Union, said yesterday that he had emphasised that he had no interest in being compromised by being

to play every legitimate card in the pack," said Mr. John McArthur, a director at Kleinwort.

The extent of Waddington's last minute measures came to light yesterday when it was learned that chairman Mr. Victor Watson had telephoned the Norwich Union—which over the weekend had agreed to sell its 4.4 per cent Waddington stake to BPCC—on Wednesday evening, offering to drive down from Leeds to Norwich overnight to explain why he ought to change his mind.

Mr. Gavyn Mills, investment manager at Norwich Union, said yesterday that he had emphasised that he had no interest in being compromised by being

to play every legitimate card in the pack," said Mr. John McArthur, a director at Kleinwort.

The extent of Waddington's last minute measures came to light yesterday when it was learned that chairman Mr. Victor Watson had telephoned the Norwich Union—which over the weekend had agreed to sell its 4.4 per cent Waddington stake to BPCC—on Wednesday evening, offering to drive down from Leeds to Norwich overnight to explain why he ought to change his mind.

Mr. Gavyn Mills, investment manager at Norwich Union, said yesterday that he had emphasised that he had no interest in being compromised by being

to play every legitimate card in the pack," said Mr. John McArthur, a director at Kleinwort.

The extent of Waddington's last minute measures came to light yesterday when it was learned that chairman Mr. Victor Watson had telephoned the Norwich Union—which over the weekend had agreed to sell its 4.4 per cent Waddington stake to BPCC—on Wednesday evening, offering to drive down from Leeds to Norwich overnight to explain why he ought to change his mind.

Mr. Gavyn Mills, investment manager at Norwich Union, said yesterday that he had emphasised that he had no interest in being compromised by being

to play every legitimate card in the pack," said Mr. John McArthur, a director at Kleinwort.

The extent of Waddington's last minute measures came to light yesterday when it was learned that chairman Mr. Victor Watson had telephoned the Norwich Union—which over the weekend had agreed to sell its 4.4 per cent Waddington stake to BPCC—on Wednesday evening, offering to drive down from Leeds to Norwich overnight to explain why he ought to change his mind.

Mr. Gavyn Mills, investment manager at Norwich Union, said yesterday that he had emphasised that he had no interest in being compromised by being

to play every legitimate card in the pack," said Mr. John McArthur, a director at Kleinwort.

The extent of Waddington's last minute measures came to light yesterday when it was learned that chairman Mr. Victor Watson had telephoned the Norwich Union—which over the weekend had agreed to sell its 4.4 per cent Waddington stake to BPCC—on Wednesday evening, offering to drive down from Leeds to Norwich overnight to explain why he ought to change his mind.

Mr. Gavyn Mills, investment manager at Norwich Union, said yesterday that he had emphasised that he had no interest in being compromised by being

to play every legitimate card in the pack," said Mr. John McArthur, a director at Kleinwort.

The extent of Waddington's last minute measures came to light yesterday when it was learned that chairman Mr. Victor Watson had telephoned the Norwich Union—which over the weekend had agreed to sell its 4.4 per cent Waddington stake to BPCC—on Wednesday evening, offering to drive down from Leeds to Norwich overnight to explain why he ought to change his mind.

Mr. Gavyn Mills, investment manager at Norwich Union, said yesterday that he had emphasised that he had no interest in being compromised by being

to play every legitimate card in the pack," said Mr. John McArthur, a director at Kleinwort.

The extent of Waddington's last minute measures came to light yesterday when it was learned that chairman Mr. Victor Watson had telephoned the Norwich Union—which over the weekend had agreed to sell its 4.4 per cent Waddington stake to BPCC—on Wednesday evening, offering to drive down from Leeds to Norwich overnight to explain why he ought to change his mind.

Mr. Gavyn Mills, investment manager at Norwich Union, said yesterday that he had emphasised that he had no interest in being compromised by being

to play every legitimate card in the pack," said Mr. John McArthur, a director at Kleinwort.

The extent of Waddington's last minute measures came to light yesterday when it was learned that chairman Mr. Victor Watson had telephoned the Norwich Union—which over the weekend had agreed to sell its 4.4 per cent Waddington stake to BPCC—on Wednesday evening, offering to drive down from Leeds to Norwich overnight to explain why he ought to change his mind.

Mr. Gavyn Mills, investment manager at Norwich Union, said yesterday that he had emphasised that he had no interest in being compromised by being

to play every legitimate card in the pack," said Mr. John McArthur, a director at Kleinwort.

The extent of Waddington's last minute measures came to light yesterday when it was learned that chairman Mr. Victor Watson had telephoned the Norwich Union—which over the weekend had agreed to sell its 4.4 per cent Waddington stake to BPCC—on Wednesday evening, offering to drive down from Leeds to Norwich overnight to explain why he ought to change his mind.

Mr. Gavyn Mills, investment manager at Norwich Union, said yesterday that he had emphasised that he had no interest in being compromised by being

More Waddington holders reject BPCC

BY DAVID DODWELL

John Waddington claimed yesterday that shareholders accounting for a further 1.3 per cent of the company's shares had changed their minds about supporting the 17m bid approach.

Mr. Robert Maxwell's British Printing and Communications Corporation.

This is a fresh blow to Mr. Maxwell, who on Wednesday claimed he was "within a whisker" of taking control of Waddington, the Leeds-based games and packaging group.

At that stage, he announced that he had accepted the offer for his share and cash offer amounting to 47.5 per cent.

If yesterday's withdrawals are added to withdrawals amounting to 5.5 per cent on Thursday,

then Mr. Maxwell can now only claim acceptances amounting to 40.5 per cent.

BPCC yesterday conceded that acceptances had slipped back to a total of 43.78 per cent. At the time the company confirmed that it would extend the offer, which was due to close yesterday afternoon, until the afternoon of Wednesday September 7.

Kleinwort Benson, financial advisers to Waddington during the bid, conceded yesterday that it had been unusual to resort to last minute persuasion to change shareholders' minds over the BPCC offer.

"It was late, and it was unusual—but when you are fighting a battle as fierce as this, you have

to play every legitimate card in the pack," said Mr. John McArthur, a director at Kleinwort.

The extent of Waddington's last minute measures came to light yesterday when it was learned that chairman Mr. Victor Watson had telephoned the Norwich Union—which over the weekend had agreed to sell its 4.4 per cent Waddington stake to BPCC—on Wednesday evening, offering to drive down from Leeds to Norwich overnight to explain why he ought to change his mind.

Mr. Gavyn Mills, investment manager at Norwich Union, said yesterday that he had emphasised that he had no interest in being compromised by being

to play every legitimate card in the pack," said Mr. John McArthur, a director at Kleinwort.

The extent of Waddington's last minute measures came to light yesterday when it was learned that chairman Mr. Victor Watson had telephoned the Norwich Union—which over the weekend had agreed to sell its 4.4 per cent Waddington stake to BPCC—on Wednesday evening, offering to drive down from Leeds to Norwich overnight to explain why he ought to change his mind.

Mr. Gavyn Mills, investment manager at Norwich Union, said yesterday that he had emphasised that he had no interest in being compromised by being

to play every legitimate card in the pack," said Mr. John McArthur, a director at Kleinwort.

The extent of Waddington's last minute measures came to light yesterday when it was learned that chairman Mr. Victor Watson had telephoned the Norwich Union—which over the weekend had agreed to sell its 4.4 per cent Waddington stake to BPCC—on Wednesday evening, offering to drive down from Leeds to Norwich overnight to explain why he ought to change his mind.

Mr. Gavyn Mills, investment manager at Norwich Union, said yesterday that he had emphasised that he had no interest in being compromised by being

to play every legitimate card in the pack," said Mr. John McArthur, a director at Kleinwort.

The extent of Waddington's last minute measures came to light yesterday when it was learned that chairman Mr. Victor Watson had telephoned the Norwich Union—which over the weekend had agreed to sell its 4.4 per cent Waddington stake to BPCC—on Wednesday evening, offering to drive down from Leeds to Norwich overnight to explain why he ought to change his mind.

Mr. Gavyn Mills, investment manager at Norwich Union, said yesterday that he had emphasised that he had no interest in being compromised by being

to play every legitimate card in the pack," said Mr. John McArthur, a director at Kleinwort.

The extent of Waddington's last minute measures came to light yesterday when it was learned that chairman Mr. Victor Watson had telephoned the Norwich Union—which over the weekend had agreed to sell its 4.4 per cent Waddington stake to BPCC—on Wednesday evening, offering to drive down from Leeds to Norwich overnight to explain why he ought to change his mind.

Mr. Gavyn Mills, investment manager at Norwich Union, said yesterday that he had emphasised that he had no interest in being compromised by being

to play every legitimate card in the pack," said Mr. John McArthur, a director at Kleinwort.

The extent of Waddington's last minute measures came to light yesterday when it was learned that chairman Mr. Victor Watson had telephoned the Norwich Union—which over the weekend had agreed to sell its 4.4 per cent Waddington stake to BPCC—on Wednesday evening, offering to drive down from Leeds to Norwich overnight to explain why he ought to change his mind.

Mr. Gavyn Mills, investment manager at Norwich Union, said yesterday that he had emphasised that he had no interest in being compromised by being

BIDS AND DEALS

More Waddington holders reject BPCC

BY DAVID DODWELL

John Waddington claimed yesterday that shareholders accounting for a further 1.3 per cent of the company's shares had changed their minds about supporting the 17m bid approach.

Mr. Robert Maxwell's British Printing and Communications Corporation.

This is a fresh blow to Mr. Maxwell, who on Wednesday claimed he was "within a whisker" of taking control of Waddington, the Leeds-based games and packaging group.

At that stage, he announced that he had accepted the offer for his share and cash offer amounting to 47.5 per cent.

If yesterday's withdrawals are added to withdrawals amounting to 5.5 per cent on Thursday,

then Mr. Maxwell can now only claim acceptances amounting to 40.5 per cent.

BPCC yesterday conceded that acceptances had slipped back to a total of 43.78 per cent. At the time the company confirmed that it would extend the offer, which was due to close yesterday afternoon, until the afternoon of Wednesday September 7.

Kleinwort Benson, financial advisers to Waddington during the bid, conceded yesterday that it had been unusual to resort to last minute persuasion to change shareholders' minds over the BPCC offer.

"It was late, and it was unusual—but when you are fighting a battle as fierce as this, you have

to play every legitimate card in the pack," said Mr. John McArthur, a director at Kleinwort.

The extent of Waddington's last minute measures came to light yesterday when it was learned that chairman Mr. Victor Watson had telephoned the Norwich Union—which over the weekend had agreed to sell its 4.4 per cent Waddington stake to BPCC—on Wednesday evening, offering to drive down from Leeds to Norwich overnight to explain why he ought to change his mind.

Mr. Gavyn Mills, investment manager at Norwich Union, said yesterday that he had emphasised that he had no interest in being compromised by being

to play every legitimate card in the pack," said Mr. John McArthur, a director at Kleinwort.

The extent of Waddington's last minute measures came to light yesterday when it was learned that chairman Mr. Victor Watson had telephoned the Norwich Union—which over the weekend had agreed to sell its 4.4 per cent Waddington stake to BPCC—on Wednesday evening, offering to drive down from Leeds to Norwich overnight to explain why he ought to change his mind.

Mr. Gavyn Mills, investment manager at Norwich Union, said yesterday that he had emphasised that he had no interest in being compromised by being

to play every legitimate card in the pack," said Mr. John McArthur, a director at Kleinwort.

The extent of Waddington's last minute measures came to light yesterday when it was learned that chairman Mr. Victor Watson had telephoned the Norwich Union—which over the weekend had agreed to sell its 4.4 per cent Waddington stake to BPCC—on Wednesday evening, offering to drive down from Leeds to Norwich overnight to explain why he ought to change his mind.

Mr. Gavyn Mills, investment manager at Norwich Union, said yesterday that he had emphasised that he had no interest in being compromised by being

to play every legitimate card in the pack," said Mr. John McArthur, a director at Kleinwort.

The extent of Waddington's last minute measures came to light yesterday when it was learned that chairman Mr. Victor Watson had telephoned the Norwich Union—which over the weekend had agreed to sell its 4.4 per cent Waddington stake to BPCC—on Wednesday evening, offering to drive down from Leeds to Norwich overnight to explain why he ought to change his mind.

Mr. Gavyn Mills, investment manager at Norwich Union, said yesterday that he had emphasised that he had no interest in being compromised by being

to play every legitimate card in the pack," said Mr. John McArthur, a director at Kleinwort.

The extent of Waddington's last minute measures came to light yesterday when it was learned that chairman Mr. Victor Watson had telephoned the Norwich Union—which over the weekend had agreed to sell its 4.4 per cent Waddington stake to BPCC—on Wednesday evening, offering to drive down from Leeds to Norwich overnight to explain why he ought to change his mind.

Mr. Gavyn Mills, investment manager at Norwich Union, said yesterday that he had emphasised that he had no interest in being compromised by being

to play every legitimate card in the pack," said Mr. John McArthur, a director at Kleinwort.

The extent of Waddington's last minute measures came to light yesterday when it was learned that chairman Mr. Victor Watson had telephoned the Norwich Union—which over the weekend had agreed to sell its 4.4 per cent Waddington stake to BPCC—on Wednesday evening, offering to drive down from Leeds to Norwich overnight to explain why he ought to change his mind.

Mr. Gavyn Mills, investment manager at Norwich Union, said yesterday that he had emphasised that he had no interest in being compromised by being

Raybeck £1.4m loss—payout cut

LOSSES HAVE continued at Raybeck, the clothing manufacturer and retailer, and for the 33 weeks to April 30 1983, have accumulated to £1.43m, compared with a profit of £215,000 in the previous year.

After the omission of the interim dividend is cut to 0.25p to compare with a total of £2.20p in 1981-82.

Mr. Ben Raven, chairman, says in recent years the company has experienced persistently adverse trading conditions in all areas of the business, and in addition it has proved impossible to eliminate trading losses at Bourne. But now the Bourne interest is being disposed of "it is the board's view that Raybeck's prospects are fundamentally improved."

Taking in a £973,000 (£292,000) profit from the disposal of surplus properties cuts the year's loss to £457,000, against a profit of £507,000. There is a tax credit of £630,000 (£101,000) making available £152,000 (£908,000), out of which the preference dividends absorb £572,000 and the ordinary £92,000 (£530,000).

Surrender of the Bourne's interest will bring in £400,000, to be received on September 29. There is an extraordinary charge of £1.74m which largely represents the estimated costs of closure of Bourne to the extent of £1.43m, compared with a profit of £215,000 in the previous year.

After the omission of the interim dividend is cut to 0.25p to compare with a total of £2.20p in 1981-82.

Mr. Ben Raven, chairman, says in recent years the company has experienced persistently adverse trading conditions in all areas of the business, and in addition it has proved impossible to eliminate trading losses at Bourne. But now the Bourne interest is being disposed of "it is the board's view that Raybeck's prospects are fundamentally improved."

Taking in a £973,000 (£292,000) profit from the disposal of surplus properties cuts the year's loss to £457,000, against a profit of £507,000. There is a tax credit of £630,000 (£101,000) making available £152,000 (£908,000), out of which the preference dividends absorb £572,000 and the ordinary £92,000 (£530,000).

Surrender of the Bourne's interest will bring in £400,000, to be received on September 29. There is an extraordinary charge of £1.74m which largely represents the estimated costs of closure of Bourne to the extent of £1.43m, compared with a profit of £215,000 in the previous year.

After the omission of the interim dividend is cut to 0.25p to compare with a total of £2.20p in 1981-82.

Mr. Ben Raven, chairman, says in recent years the company has experienced persistently adverse trading conditions in all areas of the business, and in addition it has proved impossible to eliminate trading losses at Bourne. But now the Bourne interest is being disposed of "it is the board's view that Raybeck's prospects are fundamentally improved."

Taking in a £973,000 (£292,000) profit from the disposal of surplus properties cuts the year's loss to £457,000, against a profit of £507,000. There is a tax credit of £630,000 (£101,000) making available £152,000 (£908,000), out of which the preference dividends absorb £572,000 and the ordinary £92,000 (£530,000).

Surrender of the Bourne's interest will bring in £

SUMMARY OF THE WEEK'S COMPANY NEWS

Take-over bids and deals

Having originally been proposed on July 5, details have been announced for the merger of Mr James Gulliver's two publically-quoted companies, leading retailers Argill Foods, and off-licence and liquor group Amalgamated Distilled Products. This will create a retailing chain with a stock market valuation of over £250m. The merger is to be conducted through Mr Gulliver's management holding company, James Gulliver Associates, which will be renamed Argill Group. Present holders of ADP equity will receive four new Argill Group shares for every three ADP shares. The new Argill Group shares for every three ADP shares will effectively give 74.5 per cent of the combined group to Argill Foods' shareholders and 25.5 per cent to ADP holders, figures closely comparable to their respective asset contributions.

Spring Grove, the linen hire and sale concern, which announced earlier this month that it was involved in bid negotiations, is in receipt of an agreed offer from Pritchard and the building and municipal maintenance group, which also has linen hire interests. The share-exchange terms: seven Pritchard for every 20 Spring Grove, value the latter company at around £16.5m.

Through its offshoot Royal Reinsurance Royal Insurance is expanding into the U.S. reinsurance market via the purchase of American Overseas Holdings, a subsidiary of Marsh and McLennan, for a cash consideration of US\$23m.

Charterhouse Petroleum, the UK oil group, is to acquire the outstanding share capital of North Sea licensee Jubilee Oil in a £25m deal. Charterhouse currently owns 30 per cent of Jubilee. Bath and Portland, the troubled construction and engineering combine, is to dispose of its civil engineering interests by selling Marple Roadway Construction to ICEC Contractors, a Jersey-based concern ultimately controlled by the Anglo-American group, for a provisional sum of £0.5m.

| Company bid for | Value of bid per share** | Market price** | Price Value of bid per share** | Value of bid per share** | Bidder |
|-----------------|--------------------------|----------------|--------------------------------|--------------------------|--------|
| AE | 266 | 208 | 155 | 67.78 GKN | |
| Benn Bros | 266 | 208 | 155 | 17.34 Exel | |

| Company bid for | Value of bid per share** | Market price** | Price Value of bid per share** | Value of bid per share** | Bidder |
|--------------------|--------------------------|----------------|--------------------------------|--------------------------|--------------------|
| Branson | 60 | 60 | 58 | 1.54 | Taddale |
| Drake and Scull | 123.5 | 114 | 80 | 0.82 | Simon Engineers |
| Globe & Phoenix | 70 | 70 | 60 | 0.82 | African Lakes |
| Hawkins & Tapes | 35 | 35 | 32 | 2.13 | Evered |
| Huntleigh | 225 | 220 | 203 | 32.32 | Flight Refuelling |
| Ingram (R.L.) | 65 | 300 | 30 | 1.92 | Wasakon |
| Ins Cpn of Ireland | 258 | 275 | 224 | 125.98 | Allied Irish |
| KCA Drilling | 37.5 | 33 | 35 | 23.6 | Rosshold |
| Peatling Res | 30.5 | 37 | 26 | 3.96 | Ivorbeam |
| Redifusion | 41.5 | 420 | 353 | 129.33 | BET |
| Spring Grove | 50 | 44 | 48 | 18.58 | Pritchard Services |
| USM Group | 225 | 175 | 99 | 62.74 | Narores |
| Waddington (J.) | 225 | 270 | 204 | 17.66 | BPCC |
| Whitlough (W.) | 130 | 124 | 114 | 8.11 | Comben Group |

* All cash offer. † Cash alternative. ‡ Partial bid. § For capital not already held. ¶ Unconditional. || Loan stock alternative. ** Based on August 26 1983. †† At suspension. ‡‡ Estimated. §§ Shares and cash.

| Company | Half-year | Pre-tax profit (£000) | Interim dividends* per share (p) |
|--------------------|-----------|-----------------------|----------------------------------|
| American Trust | July | 2,340 (1,830) | 1.0 (1.0) |
| Bath and Portland | April | 183 (1,780) | 2.5 (2.5) |
| Baynes, Charles | June | 206 (213) | 0.31 (0.25) |
| BBA Group | June | 2,340 (3,000) | 0.84 (0.84) |
| Benson's Crisp | May | 101 (147) | 1.0 (0.9) |
| Benford Concrete | June | 1,130 (1,670) | 3.3 (3.0) |
| Blue Circle | June | 48,200 (51,500)** | 6.0 (6.0) |
| Britoil | June | 275,000 (514,000)** | 3.3 (—) |
| BSR | June | 6,200 (1,800)L | 0.5 (—) |
| Carpet Int'l | July | 790 (2,900)L | — (—) |
| Coleman Milne | June | 186 (143) | 0.6 (0.5) |
| Cordex | June | 363 (37) | 2.25 (—) |
| Crouch, Derek | June | 177 (414) | 1.83 (1.83) |
| Electro-protective | June | 3,400 (1,810)† | 0.9 (0.9) |
| Fife Indus | June | 1.4 | 1.4 |
| Hawley Group | June | 5,100 (1,680) | 1.32 (1.2) |

| Company | Half-year to | Pre-tax profit (£000) | Interim dividends* per share (p) |
|---------------------|--------------|-----------------------|----------------------------------|
| Indipent Newspapers | June | 1,330 (1,120) | 4.0 (4.0) |
| Ingham, George | June | 100 (52) | 0.5 (0.25) |
| KCA Drilling | June | 3,390 (3,640) | — (—) |
| Keen and Scott | June | 2,000 (58) | 0.33 (—) |
| Leasatone Int | April | 2,070 (1,110) | 4.0 (2.75) |
| London Brick | June | 198L (741) | — (—) |
| Lasmo | June | 10,150 (7,460) | 1.26 (1.0) |
| Leadwell | June | 51,700 (64,200) | 4.51 (4.5) |
| Leadwell Assurance | June | 39L (22) | — (—) |
| Phoenix Props | March | 7,010 (5,240) | 12.0 (9.5) |
| Queens Moat | July | 1,610 (1,090) | 0.66 (0.60) |
| Rockware | June | 9,490 (8,010) | 0.675 (0.6) |
| Rockware | June | 8,510L (484) | 5.55 (5.55) |
| Rockware | June | 1,570 (1,580) | 1.75 (1.35) |
| Scot Agric Inds | June | 2,100 (1,700) | 6.5 (5.75) |
| Scot Agric Inds | June | 1,750 (2,450) | 4.5 (4.0) |
| Slough Estates | June | 9,080 (7,350) | 1.5 (1.25) |
| Strand & Chk Bt | June | 116,400 (100,900) | 9.5 (9.2) |
| Supra | June | 378 (174) | 1.05 (1.0) |
| Supra | June | 321 (232) | 0.75 (0.75) |
| Taylor Woodrow | June | 11,820 (9,640) | 5.8 (5.8) |
| Tilley Int | April | 9L (48) | — (—) |
| Webber Electro | March | 183 (103) | 1.75 (1.75) |
| Woodhouse & Hixon | June | 158L (574) | 0.5 (0.75) |
| Yorkshire Chem | June | 664 (375) | — (—) |

* Dividends are shown net except where indicated. † No tax. ‡ For seven months ended October 1982. § In U.S. and cents. ** No comparable figure available; results for 12 months to December 1982. L Loss.

PRELIMINARY RESULTS

| Company | Year to | Pre-tax profit (£000) | Earnings* per share (p) | Dividends* per share (p) |
|--------------------|---------|-----------------------|-------------------------|--------------------------|
| Allen, W. G. | March | 119L (897)L | — (—) | — (—) |
| Apex Properties | March | 600 (836) | 3.9 (2.3) | 2.0 (2.0) |
| Boardman, K. O. | March | 190L (4) | — (—) | — (—) |
| Boyan, F. | April | 190 (200) | 3.5 (3.5) | 1.5 (1.5) |
| Dale Electric | May | 1,900 (1,100) | 9.8 (8.8) | 4.0 (3.0) |
| Dura Mill | March | 3 (8) | 1.7 (7.0) | 0.6 (0.6) |
| Hay & Robertson | May | 58L (102)L | — (—) | — (—) |
| Herrington Brooks | May | 81 (33)L | 5.5 (—) | — (—) |
| Innate Business | March | 1,600L (1,89)L | — (—) | — (—) |
| Ingersoll Rand | April | 5,190 (4,890) | — (—) | — (—) |
| McKay Securities | March | 1,860 (1,700) | 6.9 (6.0) | 1.0 (1.0) |
| McKay Securities | April | 1,760L (715) | — (—) | — (—) |
| McKay Securities | April | 524L (423)L | — (—) | — (—) |
| Peerless | March | 1,510 (1,470) | 11.1 (10.6) | 6.3 (6.3) |
| Pfizer | April | 1,420 (1,940) | 17.0 (22.7) | 5.25 (5.25) |
| Press Tools | April | 158 (161) | 4.5 (4.5) | — (—) |
| Resource Tech | April | 744 (830) | 9.0 (8.0) | — (—) |
| Saville, Gordon J. | April | 588 (1,084) | 2.9 (6.1) | 3.38 (3.38) |
| Smith Whitworth | March | 3 (300)L | — (—) | — (—) |
| Spear, F. R. | Dec | 287L (874) | — (—) | — (—) |
| Stoddard Edges | March | 1,140L (2,250)L | — (—) | — (—) |
| Warren & Gilson | March | 1,632 (832) | 7.9 (6.8) | 2.0 (2.0) |
| Wholesale Fittings | April | 3,920 (3,486) | 15.2 (13.9) | 5.1 (4.54) |

Offers for sale, placings and introductions

Cigna Overseas Finance—Raising £30m via an issue of partly paid building bonds due 2005 at 200 basis points above 2004-05 British Treasury stock.

Memcom International—Plans offer for sale of 1.92m ordinary shares to raise £1.3m in the first over the counter market deal.

Rockware—Raising £9.6m through an issue of 10m 7.7 per cent preference shares.

Rights Issues

Floyd Oil Participation—Raising £3.02m net via a two for seven rights issue at 82p per share.

Nesco—Raising £640,000 via a two for five rights issue at 80p per share.

Pritchard Services—Raising £23.4m in connection with a bid for Spring Grove via a one for four rights issue at 120p per share.

CONSTRUCTION CONTRACTS

Swiss firm builds Algerian schools

Swiss construction company PREISWERK & CIE, Basel, has been awarded a Sfr40m (£12.35m) contract for the building of four schools in the district of Algiers. The elements of the prefabricated schools will come from Switzerland, the complete construction programme to take only 10 months and provide over 2,000 jobs. A consortium of three working in the Swiss Bank Corp., Union Bank of Switzerland and Credit Suisse—has advanced 75 per cent of the cost. The Swiss Export Risk Guarantee programme has granted 70 per cent coverage for the contract.

An agreement has been signed worth 1.78m Rial Omani (£3.42m) between National Automobiles and Douglas OH L.L.C. for the construction of a new showroom and spare parts department for the distribution and maintenance of the prestigious range of BMW motor cars.

The buildings consist of a car showroom, extensive workshops and spare parts department, a customer reception area and suites of offices on the mezzanine and first floors. Work is due to commence on site by the end of August 1983 and work will be completed in 12 months. The contractor, Douglas OH L.L.C. joint venture company between Oman Holdings International and R. M. Douglas Holdings based in the UK.

A £2m plus computer contract has been awarded to ICL by Telephone Manufacturers (TM) of South Africa. An ICL 2958 mainframe computer and 40 ICL Distributed Resources Systems (DRS 20) will replace a current ICL 2950 mainframe and terminal. ICL's On-line Manufacturing and Control (OMAC) 291 software package will control the multi-dimensional manufacturing of the retirement of Ms Gladys Worwood. Mr Christopher J. Sawyer has been appointed chief executive of Broxlee Holdings and Mr Ronald A. McKellar becomes financial director of this division of Bulgain. Mr Ronald A. Bulgain and Mr Robert E. Bulgain, chairman and managing director and deputy managing director respectively of A. F. Bulgain and Co. also join the board of Broxlee Holdings.

Lord Blake, Provost of the Queen's College, Oxford, joins the board of CHANNEL FOUR TELEVISION CO from September 1.

Mr Richard A. R. Bulgain has been elected to the board of A. F. BULGAIN AND CO. following the retirement of Ms Gladys Worwood. Mr Christopher J. Sawyer has been appointed chief executive of Broxlee Holdings and Mr Ronald A. McKellar becomes financial director of this division of Bulgain. Mr Ronald A. Bulgain and Mr Robert E. Bulgain, chairman and managing director and deputy managing director respectively of A. F. Bulgain and Co. also join the board of Broxlee Holdings.

WIMPEY HOMES HOLDINGS has appointed Mr John Campbell as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

NABISCO BRANDS has appointed Mr Patrick Holden as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

WIMPEY HOMES HOLDINGS has appointed Mr John Campbell as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

NABISCO BRANDS has appointed Mr Patrick Holden as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

WIMPEY HOMES HOLDINGS has appointed Mr John Campbell as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

NABISCO BRANDS has appointed Mr Patrick Holden as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

WIMPEY HOMES HOLDINGS has appointed Mr John Campbell as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

NABISCO BRANDS has appointed Mr Patrick Holden as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

WIMPEY HOMES HOLDINGS has appointed Mr John Campbell as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

NABISCO BRANDS has appointed Mr Patrick Holden as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

WIMPEY HOMES HOLDINGS has appointed Mr John Campbell as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

NABISCO BRANDS has appointed Mr Patrick Holden as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

WIMPEY HOMES HOLDINGS has appointed Mr John Campbell as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

NABISCO BRANDS has appointed Mr Patrick Holden as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

WIMPEY HOMES HOLDINGS has appointed Mr John Campbell as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

NABISCO BRANDS has appointed Mr Patrick Holden as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

WIMPEY HOMES HOLDINGS has appointed Mr John Campbell as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

NABISCO BRANDS has appointed Mr Patrick Holden as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

WIMPEY HOMES HOLDINGS has appointed Mr John Campbell as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

NABISCO BRANDS has appointed Mr Patrick Holden as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

WIMPEY HOMES HOLDINGS has appointed Mr John Campbell as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

NABISCO BRANDS has appointed Mr Patrick Holden as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

APPOINTMENTS

Changes at Sun Alliance

Mr H. M. Hollingsworth, group computer manager of management services and planning division, SUN ALLIANCE INSURANCE GROUP, retires on November 30 and is succeeded by Mr J. Rochelle, at present manager, computer department. Mr E. G. Coward, at present commercial underwriting manager of the home and overseas divisions becomes group commercial underwriting manager with responsibility for home division commercial underwriting.

division commercial underwriting and overseas division international underwriting.

Mr John Weaver has been appointed executive director of the CITY COMMUNICATIONS CENTRE and the COMMISSION ON INVISIBLE EXPORTS in succession to Mr Colin Williams.

Mr Peter W. Weller, a general manager of Standard Chartered Bank, has been elected deputy chairman of the BRITISH EXPORTERS AND IMPORTERS' ASSOCIATION. Mr D. L. Marston, executive chairman of the London Board of Westpac Corp., remains chairman of the association. Mr G. T. Watson has been appointed honorary secretary in succession to Mr Ian Cameron Black, who has returned to Standard Chartered Bank.

Mr David Reavley has been appointed managing director of LANIER BUSINESS PRODUCTS in the UK. He was word processing manager with Olivetti, and is the first English managing director appointed by Lanier. Previous managing directors or presidents have been from the U.S.

ALLEN, BRADY & MARSH has appointed a new financial director and company secretary, Mr Howard Fair, who joins the agency on September 5. He was finance director of Home Charm Group and held the same position at its subsidiary, Texas Homecare.

Mr Peter Vinson has been appointed chairman of the newly reconstituted NEDO Economic Development Committee for Construction Equipment and Mobile Cranes. He is managing director of Diesel division of Rolls Royce Motors.

Rear Admiral J. C. Krefler, chairman of the Netherlands Council of Oceanic Research and until recently hydrographer of the Royal Netherlands Navy, has been elected president of the HYDROGRAPHIC SOCIETY, London, in succession to Commodore A. H. Cooper of the International Hydrographic Bureau, Monaco.

WIMPEY HOMES HOLDINGS has appointed Mr John Campbell as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

NABISCO BRANDS has appointed Mr Patrick Holden as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

WIMPEY HOMES HOLDINGS has appointed Mr John Campbell as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

NABISCO BRANDS has appointed Mr Patrick Holden as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

WIMPEY HOMES HOLDINGS has appointed Mr John Campbell as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

NABISCO BRANDS has appointed Mr Patrick Holden as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

WIMPEY HOMES HOLDINGS has appointed Mr John Campbell as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

NABISCO BRANDS has appointed Mr Patrick Holden as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

WIMPEY HOMES HOLDINGS has appointed Mr John Campbell as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

NABISCO BRANDS has appointed Mr Patrick Holden as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

WIMPEY HOMES HOLDINGS has appointed Mr John Campbell as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

NABISCO BRANDS has appointed Mr Patrick Holden as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

WIMPEY HOMES HOLDINGS has appointed Mr John Campbell as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

NABISCO BRANDS has appointed Mr Patrick Holden as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

WIMPEY HOMES HOLDINGS has appointed Mr John Campbell as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

NABISCO BRANDS has appointed Mr Patrick Holden as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

WIMPEY HOMES HOLDINGS has appointed Mr John Campbell as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

NABISCO BRANDS has appointed Mr Patrick Holden as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

WIMPEY HOMES HOLDINGS has appointed Mr John Campbell as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

NABISCO BRANDS has appointed Mr Patrick Holden as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

WIMPEY HOMES HOLDINGS has appointed Mr John Campbell as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

NABISCO BRANDS has appointed Mr Patrick Holden as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

WIMPEY HOMES HOLDINGS has appointed Mr John Campbell as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

NABISCO BRANDS has appointed Mr Patrick Holden as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

WIMPEY HOMES HOLDINGS has appointed Mr John Campbell as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

NABISCO BRANDS has appointed Mr Patrick Holden as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

WIMPEY HOMES HOLDINGS has appointed Mr John Campbell as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

NABISCO BRANDS has appointed Mr Patrick Holden as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

WIMPEY HOMES HOLDINGS has appointed Mr John Campbell as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

EUROPEAN OPTIONS EXCHANGE

| Series | Vol. | Nov. Last | Vol. | Feb. Last | Vol. | May Last | Stock |
|-----------------------------------|----------|-----------|---------|-----------|---------|----------|----------|
| GOLD C | 8400 | 50 | 34 | — | — | — | \$417.30 |
| GOLD D | 8425 | 27 | 18 | — | — | — | — |
| GOLD E | 8450 | 66 | 8 | 1 | 20 A | 1 | 27 |
| GOLD F | 8475 | 17 | 5.10 | — | — | — | — |
| GOLD G | 8500 | 8 | 3 | — | — | — | — |
| GOLD H | 8525 | 30 | 7 | 2 | 11 B | — | — |
| GOLD I | 8542 | 14 | 16 | 13 | 25 B | — | — |
| GOLD P | 8450 | 10 | 38 | 13 | 35 B | — | — |
| SILV C | \$11. | 50 | 1.10 | — | — | — | \$12.12 |
| SILV D | \$12. | 24 | 0.30 | 3 | 2.25 A | — | — |
| SILV E | \$13. | 10 | 0.55 | — | — | 10 | 1.34 |
| SILV F | \$18. | 10 | 0.55 | — | — | — | — |
| AKZO C | F.55 | — | — | 30 | 21 B | — | F.75.50 |
| AKZO D | F.60 | 12 | 15.50 | 1 | 18 | — | — |
| AKZO E | F.65 | 82 | 11.50 | — | — | — | — |
| AKZO F | F.70 | 299 | 9.30 | 47 | 11.50 | 33 | 14.30 |
| AKZO G | F.80 | 375 | 5.30 | 181 | 6.20 | 118 | 8.50 |
| AKZO H | F.85 | 23 | 0.30 | 560 | 0.90 | — | — |
| AKZO I | F.90 | 64 | 2 | 29 | 1.50 | — | — |
| AKZO P | F.70 | 64 | 2 | 27 | 3.50 | — | — |
| KLM C | F.80 | — | — | 20 | 8 A | 7 | 8 |
| KLM D | F.85 | — | — | — | — | — | — |
| KLM E | F.150 | 33 | 5.80 | 8 | 13.30 | — | — |
| KLM F | F.160 | 87 | 5.50 | 134 | 8.30 | 3 | 13 |
| KLM G | F.170 | 66 | 7.50 | 22 | 5.40 | — | — |
| KLM H | F.180 | 20 | 1.40 | 50 | — | — | — |
| KLM I | F.140 | 71 | 3 | 19 | 8.5 | — | — |
| KLM P | F.155 | 27 | 7.50 | 33 | 8.10 | 85 | 8.30 B |
| KLM F | F.160 | 20 | 1.6 | — | — | — | — |
| KLM P | F.170 | 5 | 35 | 3 | 25.10 | — | — |
| KLM P | F.180 | 3 | 34 | — | — | — | — |
| PHIL G | F.32.50 | 15 | 10.50 | — | — | — | F.42.90 |
| PHIL C | F.35 | 259 | 8.50 | — | — | — | — |
| PHIL D | F.40 | 218 | 1.70 | 47 | 7.50 | — | — |
| PHIL E | F.45 | 309 | 2.40 | 618 | 4.50 | 153 | 6.30 |
| PHIL F | F.50 | 1072 | 1.20 | 699 | 2.70 | 220 | 4.50 |
| PHIL G | F.55 | 746 | 0.70 | 34 | 1.70 | 340 | 2.60 |
| PHIL H | F.60 | 135 | 0.10 | — | — | — | — |
| PHIL P | F.32.50 | 77 | 0.50 | — | — | — | — |
| PHIL C | F.35 | 66 | 0.50 | — | — | — | — |
| PHIL P | F.40 | 497 | 1.50 | 715 | 2.90 | — | — |
| PHIL P | F.45 | 347 | 3.70 | 250 | 5 | 55 | 5.20 |
| PHIL P | F.50 | 494 | 7.50 | 33 | 8.10 | 85 | 8.30 B |
| PHIL P | F.55 | 177 | 12.20 B | 302 | 12.20 B | 7 | 12.40 |
| RD C | F.110 | 29 | 51.80 B | — | — | — | F.141.80 |
| RD C | F.120 | 51 | 21.80 B | 10 | 23.50 | — | — |
| RD C | F.130 | 83 | 12.90 | 74 | 16 | 6 | 19.50 |
| RD C | F.140 | 285 | 5.50 A | 47 | 10.50 | 48 | 14.50 |
| RD C | F.150 | 183 | 2.60 | 82 | 6 | 7 | 8.50 |
| RD C | F.160 | 22 | 2.20 | 2 | 1.90 | — | — |
| RD P | F.120 | 140 | 1.50 | 69 | 7.20 | 10 | 5 |
| RD P | F.130 | 33 | 5.90 | 69 | 7.20 | — | — |
| RD P | F.150 | 26 | 18 | 5 | 15 | — | — |
| RD P | F.160 | 5 | 17 | 4 | 26 | — | — |
| RD P | F.200 | 5 | 17 | 1 | 32 | — | — |
| RD P | F.220 | 11 | 5.20 | 4 | 11 | 9 | 15 |
| RD P | F.240 | 16 | 1.70 | 6 | 2.50 | — | — |
| RD P | F.190 | 6 | 6 | 5 | 6.50 A | — | — |
| RD P | F.200 | 6 | 2 A | 3 | 8.50 A | — | — |
| Nov. | | | | Feb. | | May | |
| 12 1/2 NL 81 | 87-91 | — | — | — | — | — | — |
| C | F.127.50 | 10 | 1.20 | — | — | — | F.124.50 |
| C | F.135.00 | 10 | 1.50 | — | — | — | — |
| 9 1/2 NL 85 | 87-90 | — | — | — | — | — | — |
| C | F.100 | 14 | 3.50 | — | — | — | F.103.60 |
| C | F.102.50 | 2 | 1.80 | — | — | 2 | 3.90 |
| D | F.105.00 | 26 | 7.50 | — | 1.40 | — | — |
| D | F.102.50 | 10 | 1.10 | — | — | — | — |
| 7 1/2 NL 85 | 87-90 | — | — | — | — | — | — |
| C | F.98 | — | — | — | — | 10 | F.95.10 |
| D | F.98 | — | — | — | — | — | — |
| D | F.230 | 11 | — | 101 | 8.80 B | 14 | F.288.60 |
| D | F.255 | — | — | — | — | — | — |
| D | F.260 | — | — | 14 | 4 | — | — |
| D | F.305 | — | — | 101 | 2.20 | — | — |
| D | F.310 | — | — | 30 | 3.10 | — | — |
| D | F.285 | 52 | 3 A | 32 | 1.50 | — | — |
| TOTAL VOLUME IN CONTRACTS: 17,157 | | | | | | | |

Wall Street shows strength

Strength

Singapore

Mixed with prices fluctuating uncertainly on short covering and profit-taking in selective moderate trading.

Some nervousness was evident in the morning session following reports quoting Malaysian Deputy Finance Minister as saying that some Bankers, Stockbrokers and Company Executives had used privileged information to buy shares in the Kuala Lumpur Stock Exchange.

The Straits Times Industrial Index shed .05 to \$898.57.

The most active counter was Faber Merila, 6 cents up at \$52.68, with 1.3m units transacted.

Germany

Again easier. Dealers cited no new factors, but said worries about the direction of U.S. interest rates, the firm dollar, and Brazil's debt crisis all remain background factors depressing markets. The drain in of liquidity from Money Markets by the U.S. Federal Reserve Thursday, pushing Fed funds up and with them the dollar, has newly focused these fears.

In Power Construction, *Daimler* fell Ffr 28 to 860.

Elektro-*CSF* advanced Ffr 13 to 174, while *Cit-Alcatel* lost Ffr 15 to 1,355.

In Foreigns, Germans registered the steepest losses, followed by Coppers and Dutch shares. Japanese resisted while Americans and Golds fell.

Switzerland

Domestic stocks finished lower in a moderate Settlements day trading, amid uncertainty about the trend for interest rates.

Utilities showed some strength, with *Ael* gaining *Sfr* 10 to 1,990 and *St. Gallen* also *Sfr* 10 to 2,540.

Retailers turned mixed, with *Innovation* *Sfr* 10 higher at 515 but *Jelmond* dipped *Sfr* 13 to 1,675.

Bonds steady in this trading as many operators remained sidelined due to the uncertain interest rates outlook.

In the Foreign sector, Dollar stocks traded around overnight New York closing levels, Dutch Internationals eased, German edged lower, South African Gold Mining Financials were little changed.

Milan

| Price | | + or - | Price | | + or - | Price | | + or - |
|-------|------|--------|-------|------|--------|-------|------|--------|
| Per | 100 | | Per | 100 | | Per | 100 | |
| 164 | +1 | | 164 | +1 | | 164 | +1 | |
| 166 | +2 | | 166 | +2 | | 166 | +2 | |
| 76.5 | -0.1 | | 76.5 | -0.1 | | 76.5 | -0.1 | |
| 124.5 | +1.3 | | 124.5 | +1.3 | | 124.5 | +1.3 | |
| 60.3 | -0.6 | | 60.3 | -0.6 | | 60.3 | -0.6 | |
| 173 | +2 | | 173 | +2 | | 173 | +2 | |
| 47.3 | -0.5 | | 47.3 | -0.5 | | 47.3 | -0.5 | |
| 35.0 | -0.6 | | 35.0 | -0.6 | | 35.0 | -0.6 | |
| 81.0 | -1.1 | | 81.0 | -1.1 | | 81.0 | -1.1 | |
| 579 | | | 579 | | | 579 | | |
| 130.5 | -0.5 | | 130.5 | -0.5 | | 130.5 | -0.5 | |
| 108 | | | 108 | | | 108 | | |
| 169.9 | +4.5 | | 169.9 | +4.5 | | 169.9 | +4.5 | |
| 82.9 | +0.8 | | 82.9 | +0.8 | | 82.9 | +0.8 | |
| 18.7 | -1.2 | | 18.7 | -1.2 | | 18.7 | -1.2 | |
| 85.7 | +1.2 | | 85.7 | +1.2 | | 85.7 | +1.2 | |
| 3.7 | -0.1 | | 3.7 | -0.1 | | 3.7 | -0.1 | |
| 0.94 | -0.1 | | 0.94 | -0.1 | | 0.94 | -0.1 | |

| | | | | | | | |
|-------|------|-----------------|------|-------|-----------------|-------|-----|
| 37.0 | — | Costain | 1.45 | | Nippon Dango | 1,480 | —20 |
| 34.5 | +1.0 | Dunlop | 1.50 | +0.04 | Nippon Elect. | 1,470 | —20 |
| 32.8 | — | Eaton | 1.16 | — | Nippon Electr. | 1,470 | —20 |
| 149 | —4 | Elders Dlx | 4.15 | — | Nippon Electric | 643 | —4 |
| 86.6 | — | Energy Res | 1.80 | +0.05 | Nippon Katan. | 136 | — |
| 807.5 | +1.8 | Eno Prop Trust | 1.00 | — | Nippon Oil | 1,470 | —20 |
| 27.2 | +0.4 | Griffin Corp | 5.68 | — | Nippon Saito | 591 | —1 |
| | | Hardie U | 3.48 | —0.06 | Nippon Shintani | 660 | —3 |
| 59.0 | +2.8 | Hartogen Energy | 2.55 | — | Nippon Steel | 183 | —1 |
| 49.9 | +0.1 | Haworth & Tims | 2.00 | +0.05 | Nippon Steel | 183 | —1 |
| 308.5 | +0.3 | Ici Aust. | 2.00 | —0.16 | Nippon Suisen | 7,000 | —99 |
| 126.7 | —7.5 | Jim's Lumber Co | 0.36 | — | Nippon Yusen | 240 | —7 |
| 90.0 | +1.0 | Kilco Field | 2.49 | +0.01 | Nissan Motor | 110 | — |
| 10.0 | — | Land Lease | 4.90 | —0.05 | Nishin Steel | 138 | — |
| 141.6 | +0.2 | MAI | 4.49 | —0.05 | Nomura | 755 | — |
| 214.5 | +1.8 | Minatogawa | 2.53 | — | Nomura | 755 | — |
| | | Mitsubishi Mfr. | 1.35 | — | Onoda Cement | 1,100 | —50 |
| | | Myer Emp | 1.68 | +0.01 | Omron Telsys | 1,280 | —20 |
| | | Nat. Aus. Bk | 5.80 | — | Orient Leasing | 2,680 | —10 |
| | | Nawit | 5.80 | — | Pioneer | 2,680 | —10 |
| 104.5 | +0.5 | Nicholas-Krwl. | 2.48 | —0.08 | Pioneer | 815 | —15 |
| | | | | | Ricoh | 679 | —1 |
| | | North Bkn Hill | 5.15 | —0.08 | Sanyo | 778 | —8 |
| | | Oakbridge | 1.52 | +0.02 | Sanyo Elect | 380 | —1 |
| | | Optel Expt | 0.75 | — | Sanyo Elec | 380 | —1 |
| | | Pancon | 1.66 | — | Seikafu Pteab | 635 | —7 |
| | | Pioneer Cofa | 1.53 | — | Sekani Sseven | 5,940 | +60 |
| | | Rockitt & CoIn. | 2.37 | —0.05 | Shimadzu | 500 | —14 |
| | | Ross J. | 1.29 | —0.01 | Shinogi | 836 | —6 |
| | | Sambit (H.) | 4.20 | — | Shimoda | 1,000 | —30 |
| | | Southland Min's | 0.38 | +0.06 | Stanley | 3,380 | +10 |
| | | St. John's | 1.00 | — | Stanoey | 795 | +16 |
| | | Two Netwide | 2.08 | — | S'tomo Elect | 639 | —9 |
| | | Tooth | 4.1 | — | S'tomo Marine | 215 | —3 |
| | | UMAL Cons | 2.40 | — | S'tomo Marine | 215 | —3 |
| | | Varnis | 2.15 | — | Taihai Dengyo | 515 | +25 |
| | | Western Mining | 5.00 | +0.05 | Taisei Corp | 821 | —8 |
| | | Westpac | 5.15 | — | Taisei Corp | 821 | —8 |
| | | Woodward | 2.46 | +0.02 | Taisei Pharm | 849 | —7 |
| | | Woolworths | 2.46 | +0.02 | Takeda | 849 | —7 |
| | | Wormaid Ind | 3.25 | — | TDK | 5,500 | +80 |
| | | | | | Tokai | 765 | —1 |
| | | | | | Tokai Oil | 765 | —1 |
| | | | | | Tokai Marine | 765 | —1 |
| | | | | | TBS | 778 | —7 |
| | | | | | Tokyo Elect Pwr | 975 | —5 |
| | | | | | Tokyo Gas | 117 | —8 |
| | | | | | Tokyo Sanyo | 864 | —20 |
| | | | | | Tokyo Sanyo | 864 | —20 |
| | | | | | Tokyo Corp | 282 | +1 |

[illegible][illegible]

| | | | | | | | |
|-------|-----|-----------|-----|-----|-----------------|-------|-------|
| 1,535 | -20 | Juliao | 755 | + | Sanchez | 13.50 | |
| 346 | -1 | Kellomaki | 594 | + | Ruiz | 14.25 | +0.25 |
| 1,000 | - | Koo | 605 | -14 | Sage Hedges | 6.25 | |
| 955 | -10 | Kashiyama | 626 | + | Sa Brews | 77.45 | -0.55 |
| 426 | - | Kirih | 431 | + | Singh | 10.00 | |
| 1,000 | - | Kobayashi | 535 | +10 | Tongant Huilets | 8.1 | |
| 510 | - | Komatsu | 535 | -4 | Unisee | 5.50 | -0.5 |
| 9,850 | -25 | | | | | | |
| 1,445 | +5 | | | | | | |
| 1,315 | -30 | | | | | | |
| 2,650 | -15 | | | | | | |

16,300.

—continued

| See 5002, Edinburgh ERIAS 5001, 5002, 5003, 5004, 5005, 5006, 5007, 5008, 5009, 5010, 5011, 5012, 5013, 5014, 5015, 5016, 5017, 5018, 5019, 5020, 5021, 5022, 5023, 5024, 5025, 5026, 5027, 5028, 5029, 5030, 5031, 5032, 5033, 5034, 5035, 5036, 5037, 5038, 5039, 5040, 5041, 5042, 5043, 5044, 5045, 5046, 5047, 5048, 5049, 5050, 5051, 5052, 5053, 5054, 5055, 5056, 5057, 5058, 5059, 5060, 5061, 5062, 5063, 5064, 5065, 5066, 5067, 5068, 5069, 5070, 5071, 5072, 5073, 5074, 5075, 5076, 5077, 5078, 5079, 5080, 5081, 5082, 5083, 5084, 5085, 5086, 5087, 5088, 5089, 5090, 5091, 5092, 5093, 5094, 5095, 5096, 5097, 5098, 5099, 5100, 5101, 5102, 5103, 5104, 5105, 5106, 5107, 5108, 5109, 5110, 5111, 5112, 5113, 5114, 5115, 5116, 5117, 5118, 5119, 5120, 5121, 5122, 5123, 5124, 5125, 5126, 5127, 5128, 5129, 5130, 5131, 5132, 5133, 5134, 5135, 5136, 5137, 5138, 5139, 5140, 5141, 5142, 5143, 5144, 5145, 5146, 5147, 5148, 5149, 5150, 5151, 5152, 5153, 5154, 5155, 5156, 5157, 5158, 5159, 5160, 5161, 5162, 5163, 5164, 5165, 5166, 5167, 5168, 5169, 5170, 5171, 5172, 5173, 5174, 5175, 5176, 5177, 5178, 5179, 5180, 5181, 5182, 5183, 5184, 5185, 5186, 5187, 5188, 5189, 5190, 5191, 5192, 5193, 5194, 5195, 5196, 5197, 5198, 5199, 5200, 5201, 5202, 5203, 5204, 5205, 5206, 5207, 5208, 5209, 5210, 5211, 5212, 5213, 5214, 5215, 5216, 5217, 5218, 5219, 5220, 5221, 5222, 5223, 5224, 5225, 5226, 5227, 5228, 5229, 5230, 5231, 5232, 5233, 5234, 5235, 5236, 5237, 5238, 5239, 5240, 5241, 5242, 5243, 5244, 5245, 5246, 5247, 5248, 5249, 5250, 5251, 5252, 5253, 5254, 5255, 5256, 5257, 5258, 5259, 5260, 5261, 5262, 5263, 5264, 5265, 5266, 5267, 5268, 5269, 5270, 5271, 5272, 5273, 5274, 5275, 5276, 5277, 5278, 5279, 5280, 5281, 5282, 5283, 5284, 5285, 5286, 5287, 5288, 5289, 5290, 5291, 5292, 5293, 5294, 5295, 5296, 5297, 5298, 5299, 5300, 5301, 5302, 5303, 5304, 5305, 5306, 5307, 5308, 5309, 5310, 5311, 5312, 5313, 5314, 5315, 5316, 5317, 5318, 5319, 5320, 5321, 5322, 5323, 5324, 5325, 5326, 5327, 5328, 5329, 5330, 5331, 5332, 5333, 5334, 5335, 5336, 5337, 5338, 5339, 5340, 5341, 5342, 5343, 5344, 5345, 5346, 5347, 5348, 5349, 5350, 5351, 5352, 5353, 5354, 5355, 5356, 5357, 5358, 5359, 5360, 5361, 5362, 5363, 5364, 5365, 5366, 5367, 5368, 5369, 5370, 5371, 5372, 5373, 5374, 5375, 5376, 5377, 5378, 5379, 5380, 5381, 5382, 5383, 5384, 5385, 5386, 5387, 5388, 5389, 5390, 5391, 5392, 5393, 5394, 5395, 5396, 5397, 5398, 5399, 5400, 5401, 5402, 5403, 5404, 5405, 5406, 5407, 5408, 5409, 5410, 5411, 5412, 5413, 5414, 5415, 5416, 5417, 5418, 5419, 5420, 5421, 5422, 5423, 5424, 5425, 5426, 5427, 5428, 5429, 5430, 5431, 5432, 5433, 5434, 5435, 5436, 5437, 5438, 5439, 5440, 5441, 5442, 5443, 5444, 5445, 5446, 5447, 5448, 5449, 5450, 5451, 5452, 5453, 5454, 5455, 5456, 5457, 5458, 5459, 5460, 5461, 5462, 5463, 5464, 5465, 5466, 5467, 5468, 5469, 5470, 5471, 5472, 5473, 5474, 5475, 5476, 5477, 5478, 5479, 5480, 5481, 5482, 5483, 5484, 5485, 5486, 5487, 5488, 5489, 5490, 5491, 5492, 5493, 5494, 5495, 5496, 5497, 5498, 5499, 5500, 5501, 5502, 5503, 5504, 5505, 5506, 5507, 5508, 5509, 5510, 5511, 5512, 5513, 5514, 5515, 5516, 5517, 5518, 5519, 5520, 5521, 5522, 5523, 5524, 5525, 5526, 5527, 5528, 5529, 5530, 5531, 5532, 5533, 5534, 5535, 5536, 5537, 5538, 5539, 5540, 5541, 5542, 5543, 5544, 5545, 5546, 5547, 5548, 5549, 5550, 5551, 5552, 5553, 5554, 5555, 5556, 5557, 5558, 5559, 5560, 5561, 5562, 5563, 5564, 5565, 5566, 5567, 5568, 5569, 5570, 5571, 5572, 5573, 5574, 5575, 5576, 5577, 5578, 5579, 5580, 5581, 5582, 5583, 5584, 5585, 5586, 5587, 5588, 5589, 5590, 5591, 5592, 5593, 5594, 5595, 5596, 5597, 5598, 5599, 5600, 5601, 5602, 5603, 5604, 5605, 5606, 5607, 5608, 5609, 5610, 5611, 5612, 5613, 5614, 5615, 5616, 5617, 5618, 5619, 5620, 5621, 5622, 5623, 5624, 5625, 5626, 5627, 5628, 5629, 5630, 5631, 5632, 5633, 5634, 5635, 5636, 5637, 5638, 5639, 5640, 5641, 5642, 5643, 5644, 5645, 5646, 5647, 5648, 5649, 5650, 5651, 5652, 5653, 5654, 5655, 5656, 5657, 5658, 5659, 5660, 5661, 5662, 5663, 5664, 5665, 5666, 5667, 5668, 5669, 5670, 5671, 5672, 5673, 56 |
|--|
|--|

MARKET REPORT

Equities regain confidence after mid-week collapse

Gilts quiet and unwilling to respond either way

Account Dealing Dates

*First Declared Last Account
Dealing Date
Aug 15 Sept 1 Sept 12
Sept 15 Sept 16 Sept 26
Sept 29 Sept 30 Oct 10
New-time dealing may take place from 3.30 am two business days earlier.

A typical pre-holiday session was yesterday, additionally influenced by the fact it coincided with the end of the second leg of a long three-week trading account on the London Stock Exchange. Investment interest, which seasonally falls to a low level in August, was particularly slow yesterday with business concentrated on Irish Sea Oil stocks and a range of situation issues.

The former, markedly depressed earlier in the week on sustained liquidation, part of which appeared to be forced through Account settlement delays or problems, extended Tuesday's sharp recovery.

Leading shares meanwhile edged forward in a market attempting to regain composure after suddenly losing confidence last Tuesday and Wednesday. Over those two sessions, the FT Industrial Ordinary share index dropped over 25 points from Monday's record high.

A TV programme hinting at Government oversteering and the possibility of increased personal taxes as a result, unfounded reports of sizeable overseas profit-taking in recently buoyant U.S. and Continental favourites, such as ICI and Glaxo, and liquidation of a UK investment trust's share portfolio, all contributed to the downturn.

The setback was hastened by NIESR's gloomy predictions for the UK economy and rate of inflation next year. London has been further discouraged by Wall Street's indecision, which, yesterday, despite the continued Bowerdown following its profits forecast, the index slowly improved to close 4.7p up at the day's best of 723.1, on Monday, it had closed at a record 740.4.

Glaxo's securities continued to trade quietly, awaiting this week's U.S. money statistics. Comment that UK interest rates could be set to fall failed to encourage investment demand in markets currently unwilling to respond to either good or unfavourable forecasts, last week's depressing trade figures, announced earlier in the week, were a case in point. This week's sharp revival in index-linked issues lost impetus yesterday but quotations closed only marginally easier.

Cigna Overseas Finance 15 per cent 2008, which began life Thursday in £50-paid form, closed at 304. Other recently issued Fixed Interest stocks were narrowly irregular.

Wagon Finance weak

Wagon Finance provided an isolated feature in the banking sector, closing 8 down at 45p as the Board's cautious remarks about second-half prospects outweighed the near-75 per cent jump in interim profits, where, the major clearing banks edged forward in this trading; Midland hardened 2 to 437p as it had NatWest to 600p.

With the exception of Eagle

Star, which firmed 3 more to 460p

on bid hopes, Composite Insurance drifted lower. Ahead of next Wednesday's interim results, GRE dropped 9 to 525p, while Royals relinquished 5 to 533p as did General Accident, to 455p. Phoenix cheapened 4 to 332p and Sun Alliance lost 1 to £121.

Further assessment of the half-yearly figures encouraged a better trend in Blue Circle which rallied 5 to 433p. Elsewhere in the Building sector, selective interest was shown in Contracting. J. Laing's share price rose 6 more to 413p on further consideration of the interim results.

Polytechnic Marine, placed last month at 111p, rose 7 more to a better 125p. Other new-comers to the United Securities Market were little altered apart from Invent Energy, which extended Thursday's sharp advance to close slightly dearer at 232p.

The former, markedly depressed earlier in the week on sustained liquidation, part of which appeared to be forced through Account settlement delays or problems, extended Tuesday's sharp recovery.

Leading shares meanwhile edged forward in a market attempting to regain composure after suddenly losing confidence last Tuesday and Wednesday. Over those two sessions, the FT Industrial Ordinary share index dropped over 25 points from Monday's record high.

A TV programme hinting at Government oversteering and the possibility of increased personal taxes as a result, unfounded reports of sizeable overseas profit-taking in recently buoyant U.S. and Continental favourites, such as ICI and Glaxo, and liquidation of a UK investment trust's share portfolio, all contributed to the downturn.

The setback was hastened by NIESR's gloomy predictions for the UK economy and rate of inflation next year. London has been further discouraged by Wall Street's indecision, which, yesterday, despite the continued Bowerdown following its profits forecast, the index slowly improved to close 4.7p up at the day's best of 723.1, on Monday, it had closed at a record 740.4.

Glaxo's securities continued to trade quietly, awaiting this week's U.S. money statistics. Comment that UK interest rates could be set to fall failed to encourage investment demand in markets currently unwilling to respond to either good or unfavourable forecasts, last week's depressing trade figures, announced earlier in the week, were a case in point. This week's sharp revival in index-linked issues lost impetus yesterday but quotations closed only marginally easier.

Millets advance

The continued absence of institutional interest made for another idle session among leading Shares. House of Fraser succumbed to sporadic profit-taking and, at 242p, gave up 4 of the previous day's gain of 3p.

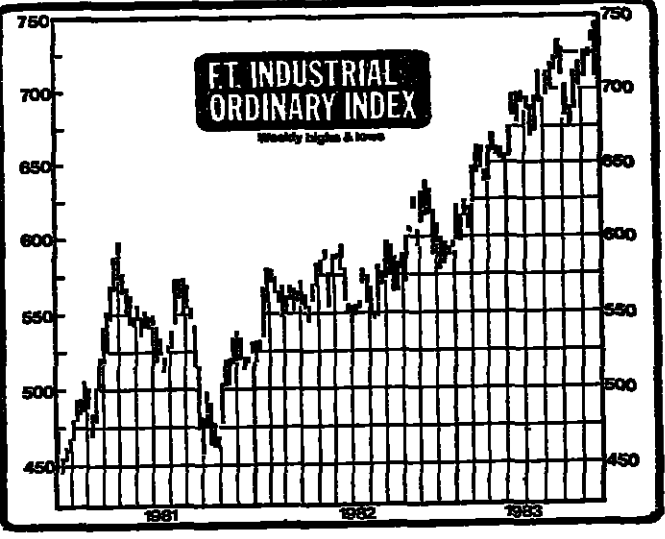
Rebecca firmed the turn to 34p, the reduced annual dividend and worst-than-anticipated deficit being outweighed as a trading influence by yet another cautiously optimistic statement. Press comment earlier in the week highlighting Northampton Manufacturing's moves into real estate, a belated sympathetic response in Millets Leisure, which spurred 26 to 150p in a restricted market, and in Greenfield's, 2 up at 38p; Nottingham holds a near-10 per cent edge in both companies, Harris Overseas Finance 15 per cent 2008, which began life Thursday in £50-paid form, closed at 304. Other recently issued Fixed Interest stocks were narrowly irregular.

Bowerdown down

Already a retreating market on fading bid hopes, Bowerdown took a further turn for the worse yesterday following a broker's downgraded profits forecast which prompted a fresh fall of 7 making a decline on the week of 26 at 215p. Other miscellaneous industrials displayed no set trend after a quiet trade. Renewed profit-taking clipped 5 from Glaxo, to take its fall on the week to 65 at 785p. Elsewhere, Rota-Print lost 2 to 12p and the 11p 170p on the bigger annual loss.

Leading Electricals passed a

quiet session and, as a result, continued to reflect the effect of further Government defence spending cuts. Rael cheapened 4 more to 470p and Playtex eased 2 to 185p. Thorn EMI rallied 3 to 588p and BICC gained 5 to 125p. In the afternoon, Greenwich Cable lost 5 to 40p, following the advanced interim deficit, while Immediate Business Systems fell 6 for a two-day decline of 17 at 170p on the bigger annual loss.



Profit-taking in the wake of the first-half profits upsurge caused Lee Refrigeration, at 265p, to give back half of Thursday's rise of 30. Comment on the strong half-year profits recovery helped BSR to improve 2 for a gain on the week of 15 at 180p.

Reflecting the interim profits setback, Roper A lost 8 to 92p but LCP met support after Press comment and closed 4 to the good at 85p. Speculative buyers returned for Inter City and the close was 5 higher at 69p, after 70p, while Bellair Cosmetics advanced 40 to 620p for the same reason. Polly Peck gained 11 points to 534p and Haggard Optical finished 10 dearer at 132p. Cymdex firmed 6, making a leap of 42 on the week at 105p; on Tuesday, the company announced excellent interim results accompanied by a confident statement regarding second-half prospects.

Renewed optimism over cable television prospects coupled to recent encouraging noises from TV-am prompted some smart gains among Television issues. Anglia were outstanding at 136p, up 8, while LWT A, 170p, Scotland, 105p, and RTV, 210p, all firmed around 3p. Trident TV added a couple of pence to 94p following an asset disposal. After the interim results, Miss World rose 5 to record a two-day gain of 30 at 170p, after 173p; Mr Michael Askerod, chairman of Hawley, is to join the Miss World board; Hawley presently controls 22 per cent of Miss World.

Fleet Holdings rose 5 to 117p on response to Mr Robert Holmes a Court's Bell Group increasing its holding to 4.2 per cent. John Waddington advanced another 9 to 270p, some 13 below the share-exchange offer from British Printing and Communication which has been extended until September 7; withdrawal notices accounting for another 1.3 per cent of Waddington's equity have been lodged bringing the total to 6.8 per cent. BPCC now controls 43.75 per cent of Waddington.

Leading Properties drifted lower on lack of support. Land Securities lost 4 to 306p as did MEPC to 206p. Carpets International continued to offer from the disappointing interim figures and eased 3 for a two-day fall of 8 at 68p. Elsewhere in Textiles,

Irish oils better

Irish exploration oils maintained the previous day's recovery movement, but final quotations were well below the best after a volatile trading session. Atlantic Resources touched 360p before settling at 340p, a rise of 15 on the day, while Arden edged 7 higher at 49p, after 52p, and Eglinton closed 20 higher at 200p, after 210p. Among the other speculative explorers, Sun (UK) Royalty regained 30 more to 280p. Jacksons Exploration improved 10 to 105p and American Oil Fields were prominent with a gain of 8 to 51p. Leading issues traded relatively quietly, but BP edged up to close 4 dearer at 430p, while Press comment on the interim figures stimulated demand for Britoil which advanced 10 to 254p.

Platinum up again

Currency considerations continued to dominate activity in the South African sectors of mining markets. The continued weakness of sterling against the dollar and the absence of genuine business activity were prominent with quotations with wide-spread gains on the day, but the situation was reversed when viewed in dollar terms.

The Gold Mines index showed a further 1.6 gain at 673.5, leading this measure 18.5 higher over the week. Bullion closed 5.5p easier at \$418.125 an ounce, little changed over the five-day period.

South African Financials moved similarly to Golds. The Fields of South Africa edged up 1 to £90 and Seafirst 1 to £10, but remaining stocks showed little overall change. "Johnnies" held at £91, a couple of points higher on the week following the better-than-expected profits and the increased dividend announced on Tuesday.

De Beers remained under pres-

sure and dipped 4 more to 638p

19 cheaper over the five day period—in the wake of disappointing results declared on Tuesday. Recent strength in free market platinum prices, talk of stock shortages and hopes of further increases in U.S. automobile production led to outstanding gains in all three last week.

Lydenburg, the smallest of the quoted South African platinum, jumped 51 to a 1983 high of 633p on persistent American buying in a market short of stock, while Rustenburg rose 21 more to a year's best of 845p and Immala 9 to a high of 945p.

Dealers reported a disappointingly low turnover in recently active London Financials. RTZ closed unaltered and only marginally firmer on the week at 660p, after 663p. Gold Fields ended a fraction easier on the day at 618p, after having touched a 1983 peak of 644p in initial dealings on Monday morning. Charter rallied from 263p to close a net 3 firmer at 268p.

Australians closed a good week in the foot of the absence of the much-rumoured resources rent tax and a tax on gold mining in last Tuesday's Federal budget prompted strong gains throughout the sector which was moving ahead again in after-hours' business yesterday.

Golds were notably strong with Gold Mines Kalbarrie up 15 more at 705p—a week's gain of 68. Among second line golds, Whim Creek were unchanged at 180p but remained 22 up on the week, while Samantia, unaltered yesterday at 82p showed a rise of 15 over the five days. In the diversified issues, Peko-Wallend improved 10 to 462p and EX Resources a like amount to 360p, the latter following the increased profits and dividend announced last Tuesday.

Holiday influences prevailed in Traded Options and dealers reported an almost total absence of professional activity. For the second consecutive session, puts traded exceeded calls—1,009 against 869. The week's daily average amounted to 1,606—the lowest since the first week of June. Imperial Group attracted a reasonable call business and the increased dividend announced which were done in the November 130's which accounted for 288 trades.

FINANCIAL TIMES STOCK INDICES

| | Aug. 26 | Aug. 27 | Aug. 28 | Aug. 29 | Aug. 30 | Aug. 31 | Year ago |
|-----------------------|---------|---------|---------|---------|---------|---------|----------|
| Government Secs. | 79.60 | 79.71 | 79.62 | 79.67 | 79.68 | 79.51 | 77.70 |
| Fixed Interest | 82.44 | 82.41 | 82.40 | 82.40 | 82.40 | 82.43 | 78.33 |
| Industrial Ord. | 722.1 | 717.4 | 716.5 | 724.0 | 740.4 | 758.7 | 675.5 |
| Gold Mines | 678.5 | 678.6 | 668.3 | 668.5 | 661.2 | 660.0 | 580.1 |
| Ord. Div. Yield | 4.66 | 4.71 | 4.69 | 4.66 | 4.64 | 4.67 | 5.18 |
| Earnings, Yld. (full) | 9.49 | 9.54 | 9.50 | 9.48 | 9.19 | 9.28 | 11.57 |
| P/E Ratio (full) | 13.13 | 13.06 | 13.10 | 13.28 | 13.56 | 13.46 | 10.36 |
| Dividend Yield | 18.57% | 18.70% | 18.60% | 18.53% | 18.66% | 18.66% | 18.64% |
| Equity turnover | 174.68 | 182.69 | 177.31 | 176.89 | 176.89 | 176.89 | 186.93 |
| Equity bargains | 15,148 | 16,979 | 18,222 | 18,409 | 17,732 | 15,699 | 15,699 |
| Shares traded (m) | 114.8 | 108.1 | 108.5 | 128.0 | 104.2 | 82.7 | 82.7 |

10 am 719.9, 11 am 720.5, Noon 721.6, 1 pm 721.8, 2 pm 721.4, 3 pm 721.4.
Basis 100 Govt. Secs, 16/10/26. Fixed Int. 1928, Industrial 1/7/35.
Gold Mines 12/10/58, SE Activity 1974.
Latest Index 07-206 8028.
NI=12.40.

HIGHS AND LOWS S.E. ACTIVITY

| | 1983 | Since Completion | Aug. 25 | Aug. 24 |
|-------------|-------|------------------|---------|---------|
| Govt. Secs. | 82.40 | 77.00 | 187.4 | 49.18 |
| Fixed Int. | 84.74 | 79.03 | 150.4 | 50.83 |
| Ind. Ord. | 740.4 | 668.4 | 740.4 | 49.4 |
| Gold Mines | 724.7 | 678.5 | 724.7 | 42.5 |

LEADERS AND LAGGARDS

Percentage changes since December 31, 1982, based on Thursday, August 25, 1983.

| | | | |
|----------------------------|--------|-----------------------------|--------|
| Motors | +22.40 | Gold Mines Index | +20.38 |
| Newspapers, Publishing | +22.05 | All-Share Index | +20.38 |
| Other Industrial Materials | +21.85 | Health and Welfare Products | +17.57 |
| Oil | +17.40 | 500-Share Index | +16.53 |
| Office Equipment | +17.10 | Insurance Brokers | +13.16 |
| Merchandise | +17.05 | Consumer Goods | +12.78 |
| Chemicals | +17.05 | Property | +11.07 |
| Mining Finance | +17.00 | Engineering Contractors | +9.30 |
| Insurance (Life) | +16.40 | Capital Goods | +8.70 |
| Merchant Banks | +16.35 | Consumer Group | +7.78 |
| Insurance (Compo) | +16.35 | Building Materials | +7.63 |
| Packaging and Paper | +16.32 | Food Retailing | +7.03 |
| Other Groups | +16.25 | Transport | +6.88 |
| Overseas Traders | +16.25 | Mechanical Engineering | +6.84 |
| Banks | +16.25 | Food Manufacturing | +6.16 |
| Financial Group | +16.25 | Brewers and Distillers | +5.82 |
| Electronics | +16.25 | Electricals | +5.78 |
| Investment Trusts | +16.25 | Discount Houses | +1.76 |
| Other Consumer | +16.25 | Contracting, Construction | +0.62 |
| Leisure | +16.25 | Tobacco | +0.42 |

OPTIONS

For the call included LCP, John Brown, BL, Inter-City, C. H. Bailey, Town and City Properties, Kwik-Fit, French Kier, Boverton, Butterfield-Harvey, Metal Sciences, Mettoy and Abwood Machine Tools. No puts were reported, but doubles were taken out in Bejam and Turner and Newall.

RISES AND FALLS ON THE WEEK

| | Yesterday | On the week |
|------------------------------|-----------|-------------|
| British Funds | Rise 47 | Fall 133 |
| Corp. Dom. and Foreign Bonds | Rise 47 | Fall 133 |
| Financial and Prop. | Rise 160 | Fall 338 |
| Oil | Rise 37 | Fall 378 |
| Mining | Rise 16 | Fall 269 |
| Others | Rise 40 | Fall 270 |
| Totals | 485 | 381 |

NEW HIGHS AND LOWS FOR 1983

| | NEW HIGHS (41) | NEW LOWS (6) |
|----------------|----------------|--------------|
| Demonstrations | 100 | 100 |
| Canadians | 100 | 100 |
| Banks | 100 | 100 |
| Buildings | 100 | 100 |
| Chemicals | 100 | 100 |
| Electronics | 100 | 100 |
| Food | 100 | 100 |
| Industrial | 100 | 100 |
| Insurance | 100 | 100 |
| Leisure | 100 | 100 |
| Mining | 100 | 100 |
| Oil | 100 | 100 |
| Overseas | 100 | 100 |
| Property | 100 | 100 |
| Shipping | 100 | 100 |
| Textiles | 100 | 100 |
| Tobacco | 100 | 100 |
| Transport | 100 | 100 |
| Utilities | 100 | 100 |
| Wages | 100 | 100 |
| Yield | 100 | 100 |

ACTIVE STOCKS

Above average activity was noted in the following stocks yesterday.

| Stock | price | change | Stock | price | change |
|-----------------|-------|--------|-----------------|-------|--------|
| Atlantic | 240 | +7 | Ladbroke | 227 | +5 |
| Bowerdown | 215 | +7 | Millers Leisure | 119 | +26 |
| British | 254 | +10 | Wagon Finance | 225 | +5 |
| Bolsa | 68 | +2 | Wagon Finance | 225 | +5 |
| Inter-City Inv. | 68 | +5 | | | |

THURSDAY'S ACTIVE STOCKS

Based on bargains recorded in SE Official List.

| Stock | No. of Thrs. | Change | Stock | No. of Thrs. | Change |
|----------------|--------------|--------|---------------|--------------|--------|
| Blue Circle | 25 | +28 | Millers World | 12 | +22 |
| BSR | 19 | +8 | Powder | 12 | +22 |
| ESR | 17 | +8 | Leas | 11 | +30 |
| RTZ | 16 | +13 | De Beers | 10 | +35 |
| De Beers Defd. | 14 | +62 | Energy Serv. | 10 | +4 |
| STR | 13 | +4 | London Irish | 10 | +3 |
| Glaxo | 13 | +10 | | | |

5-DAY ACTIVE STOCKS

Based on bargains over the five-day period ended Thursday.

| Stock | No. of Thrs. | Change | Stock | No. of Thrs. | Change |
|----------|--------------|--------|----------------|--------------|--------|
| Glaxo | 89 | +73 | GEC | 68 | +25 |
| ICI | 84 | +24 | RTZ | 67 | +24 |
| Leas | 80 | +10 | Sellair Cantos | 65 | +30 |
| RTZ | 78 | +17 | Midst. Bk. New | 65 | +30 |
| Boots | 78 | +17 | De Beers | 62 | +24 |
| De Beers | 68 | +24 | Has. of Fraser | 62 | +24 |
| Glaxo | 68 | +24 | | | |

Alfred Walker profits fall

Although turnover rose marginally from £910,000 to £919,000, pre-tax profits of Alfred Walker, estate developer, dropped to £51,000 in the year to April 30 1983, against £106,000 before.

The directors say that until new products mature, profitability will be modest, although this will not affect dividend policy. As forecast, there is a net payment of 0.75p per share for the year.

The company was incorporated on March 31 1983 for the purpose of acquiring Walker West (Developments), and did not trade in its own right until July 1 1983. Comparisons have been

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

| EQUITY GROUPS & SUB-SECTIONS | | Fri Aug 26 1983 | | | | | | | | | | | | Highs and Lows Index | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--|-----------------|-----------------|------------------------------|--------------------|----------------------|-------|----------------|-------|-------|-------|-------|-------|----------------------|-------|-------|-------|-------|-------|-----------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | | Thurs Aug 25 | | | | | | Tues Aug 24 | | | | | | Mon Aug 22 | | | | | | Year ago (approx.) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Figures in parentheses show number of stocks per section | | Index | Day's Change | Est. Savings Yield (%) | Gross Yield (%) | Est. P/E Ratio | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index | Index |

مكة المكرمة

[illegible]

| PROPERTY - Continued | | | | | | | | | |
|----------------------|------|------|------|------|------|------|------|------|------|
| 100 | 101 | 102 | 103 | 104 | 105 | 106 | 107 | 108 | 109 |
| 110 | 111 | 112 | 113 | 114 | 115 | 116 | 117 | 118 | 119 |
| 120 | 121 | 122 | 123 | 124 | 125 | 126 | 127 | 128 | 129 |
| 130 | 131 | 132 | 133 | 134 | 135 | 136 | 137 | 138 | 139 |
| 140 | 141 | 142 | 143 | 144 | 145 | 146 | 147 | 148 | 149 |
| 150 | 151 | 152 | 153 | 154 | 155 | 156 | 157 | 158 | 159 |
| 160 | 161 | 162 | 163 | 164 | 165 | 166 | 167 | 168 | 169 |
| 170 | 171 | 172 | 173 | 174 | 175 | 176 | 177 | 178 | 179 |
| 180 | 181 | 182 | 183 | 184 | 185 | 186 | 187 | 188 | 189 |
| 190 | 191 | 192 | 193 | 194 | 195 | 196 | 197 | 198 | 199 |
| 200 | 201 | 202 | 203 | 204 | 205 | 206 | 207 | 208 | 209 |
| 210 | 211 | 212 | 213 | 214 | 215 | 216 | 217 | 218 | 219 |
| 220 | 221 | 222 | 223 | 224 | 225 | 226 | 227 | 228 | 229 |
| 230 | 231 | 232 | 233 | 234 | 235 | 236 | 237 | 238 | 239 |
| 240 | 241 | 242 | 243 | 244 | 245 | 246 | 247 | 248 | 249 |
| 250 | 251 | 252 | 253 | 254 | 255 | 256 | 257 | 258 | 259 |
| 260 | 261 | 262 | 263 | 264 | 265 | 266 | 267 | 268 | 269 |
| 270 | 271 | 272 | 273 | 274 | 275 | 276 | 277 | 278 | 279 |
| 280 | 281 | 282 | 283 | 284 | 285 | 286 | 287 | 288 | 289 |
| 290 | 291 | 292 | 293 | 294 | 295 | 296 | 297 | 298 | 299 |
| 300 | 301 | 302 | 303 | 304 | 305 | 306 | 307 | 308 | 309 |
| 310 | 311 | 312 | 313 | 314 | 315 | 316 | 317 | 318 | 319 |
| 320 | 321 | 322 | 323 | 324 | 325 | 326 | 327 | 328 | 329 |
| 330 | 331 | 332 | 333 | 334 | 335 | 336 | 337 | 338 | 339 |
| 340 | 341 | 342 | 343 | 344 | 345 | 346 | 347 | 348 | 349 |
| 350 | 351 | 352 | 353 | 354 | 355 | 356 | 357 | 358 | 359 |
| 360 | 361 | 362 | 363 | 364 | 365 | 366 | 367 | 368 | 369 |
| 370 | 371 | 372 | 373 | 374 | 375 | 376 | 377 | 378 | 379 |
| 380 | 381 | 382 | 383 | 384 | 385 | 386 | 387 | 388 | 389 |
| 390 | 391 | 392 | 393 | 394 | 395 | 396 | 397 | 398 | 399 |
| 400 | 401 | 402 | 403 | 404 | 405 | 406 | 407 | 408 | 409 |
| 410 | 411 | 412 | 413 | 414 | 415 | 416 | 417 | 418 | 419 |
| 420 | 421 | 422 | 423 | 424 | 425 | 426 | 427 | 428 | 429 |
| 430 | 431 | 432 | 433 | 434 | 435 | 436 | 437 | 438 | 439 |
| 440 | 441 | 442 | 443 | 444 | 445 | 446 | 447 | 448 | 449 |
| 450 | 451 | 452 | 453 | 454 | 455 | 456 | 457 | 458 | 459 |
| 460 | 461 | 462 | 463 | 464 | 465 | 466 | 467 | 468 | 469 |
| 470 | 471 | 472 | 473 | 474 | 475 | 476 | 477 | 478 | 479 |
| 480 | 481 | 482 | 483 | 484 | 485 | 486 | 487 | 488 | 489 |
| 490 | 491 | 492 | 493 | 494 | 495 | 496 | 497 | 498 | 499 |
| 500 | 501 | 502 | 503 | 504 | 505 | 506 | 507 | 508 | 509 |
| 510 | 511 | 512 | 513 | 514 | 515 | 516 | 517 | 518 | 519 |
| 520 | 521 | 522 | 523 | 524 | 525 | 526 | 527 | 528 | 529 |
| 530 | 531 | 532 | 533 | 534 | 535 | 536 | 537 | 538 | 539 |
| 540 | 541 | 542 | 543 | 544 | 545 | 546 | 547 | 548 | 549 |
| 550 | 551 | 552 | 553 | 554 | 555 | 556 | 557 | 558 | 559 |
| 560 | 561 | 562 | 563 | 564 | 565 | 566 | 567 | 568 | 569 |
| 570 | 571 | 572 | 573 | 574 | 575 | 576 | 577 | 578 | 579 |
| 580 | 581 | 582 | 583 | 584 | 585 | 586 | 587 | 588 | 589 |
| 590 | 591 | 592 | 593 | 594 | 595 | 596 | 597 | 598 | 599 |
| 600 | 601 | 602 | 603 | 604 | 605 | 606 | 607 | 608 | 609 |
| 610 | 611 | 612 | 613 | 614 | 615 | 616 | 617 | 618 | 619 |
| 620 | 621 | 622 | 623 | 624 | 625 | 626 | 627 | 628 | 629 |
| 630 | 631 | 632 | 633 | 634 | 635 | 636 | 637 | 638 | 639 |
| 640 | 641 | 642 | 643 | 644 | 645 | 646 | 647 | 648 | 649 |
| 650 | 651 | 652 | 653 | 654 | 655 | 656 | 657 | 658 | 659 |
| 660 | 661 | 662 | 663 | 664 | 665 | 666 | 667 | 668 | 669 |
| 670 | 671 | 672 | 673 | 674 | 675 | 676 | 677 | 678 | 679 |
| 680 | 681 | 682 | 683 | 684 | 685 | 686 | 687 | 688 | 689 |
| 690 | 691 | 692 | 693 | 694 | 695 | 696 | 697 | 698 | 699 |
| 700 | 701 | 702 | 703 | 704 | 705 | 706 | 707 | 708 | 709 |
| 710 | 711 | 712 | 713 | 714 | 715 | 716 | 717 | 718 | 719 |
| 720 | 721 | 722 | 723 | 724 | 725 | 726 | 727 | 728 | 729 |
| 730 | 731 | 732 | 733 | 734 | 735 | 736 | 737 | 738 | 739 |
| 740 | 741 | 742 | 743 | 744 | 745 | 746 | 747 | 748 | 749 |
| 750 | 751 | 752 | 753 | 754 | 755 | 756 | 757 | 758 | 759 |
| 760 | 761 | 762 | 763 | 764 | 765 | 766 | 767 | 768 | 769 |
| 770 | 771 | 772 | 773 | 774 | 775 | 776 | 777 | 778 | 779 |
| 780 | 781 | 782 | 783 | 784 | 785 | 786 | 787 | 788 | 789 |
| 790 | 791 | 792 | 793 | 794 | 795 | 796 | 797 | 798 | 799 |
| 800 | 801 | 802 | 803 | 804 | 805 | 806 | 807 | 808 | 809 |
| 810 | 811 | 812 | 813 | 814 | 815 | 816 | 817 | 818 | 819 |
| 820 | 821 | 822 | 823 | 824 | 825 | 826 | 827 | 828 | 829 |
| 830 | 831 | 832 | 833 | 834 | 835 | 836 | 837 | 838 | 839 |
| 840 | 841 | 842 | 843 | 844 | 845 | 846 | 847 | 848 | 849 |
| 850 | 851 | 852 | 853 | 854 | 855 | 856 | 857 | 858 | 859 |
| 860 | 861 | 862 | 863 | 864 | 865 | 866 | 867 | 868 | 869 |
| 870 | 871 | 872 | 873 | 874 | 875 | 876 | 877 | 878 | 879 |
| 880 | 881 | 882 | 883 | 884 | 885 | 886 | 887 | 888 | 889 |
| 890 | 891 | 892 | 893 | 894 | 895 | 896 | 897 | 898 | 899 |
| 900 | 901 | 902 | 903 | 904 | 905 | 906 | 907 | 908 | 909 |
| 910 | 911 | 912 | 913 | 914 | 915 | 916 | 917 | 918 | 919 |
| 920 | 921 | 922 | 923 | 924 | 925 | 926 | 927 | 928 | 929 |
| 930 | 931 | 932 | 933 | 934 | 935 | 936 | 937 | 938 | 939 |
| 940 | 941 | 942 | 943 | 944 | 945 | 946 | 947 | 948 | 949 |
| 950 | 951 | 952 | 953 | 954 | 955 | 956 | 957 | 958 | 959 |
| 960 | 961 | 962 | 963 | 964 | 965 | 966 | 967 | 968 | 969 |
| 970 | 971 | 972 | 973 | 974 | 975 | 976 | 977 | 978 | 979 |
| 980 | 981 | 982 | 983 | 984 | 985 | 986 | 987 | 988 | 989 |
| 990 | 991 | 992 | 993 | 994 | 995 | 996 | 997 | 998 | 999 |
| 1000 | 1001 | 1002 | 1003 | 1004 | 1005 | 1006 | 1007 | 1008 | 1009 |
| 1010 | 1011 | 1012 | 1013 | 1014 | 1015 | 1016 | 1017 | 1018 | 1019 |
| 1020 | 1021 | 1022 | 1023 | 1024 | 1025 | 1026 | 1027 | 1028 | 1029 |
| 1030 | 1031 | 1032 | 1033 | 1034 | 1035 | 1036 | 1037 | 1038 | 1039 |
| 1040 | 1041 | 1042 | 1043 | 1044 | 1045 | 1046 | 1047 | 1048 | 1049 |
| 1050 | 1051 | 1052 | 1053 | 1054 | 1055 | 1056 | 1057 | 1058 | 1059 |
| 1060 | 1061 | 1062 | 1063 | 1064 | 1065 | 1066 | 1067 | 1068 | 1069 |
| 1070 | 1071 | 1072 | 1073 | 1074 | 1075 | 1076 | 1077 | 1078 | 1079 |
| 1080 | 1081 | 1082 | 1083 | 1084 | 1085 | 1086 | 1087 | 1088 | 1089 |
| 1090 | 1091 | 1092 | 1093 | 1094 | 1095 | 1096 | 1097 | 1098 | 1099 |
| 1100 | 1101 | 1102 | 1103 | 1104 | 1105 | 1106 | 1107 | 1108 | 1109 |
| 1110 | 1111 | 1112 | 1113 | 1114 | 1115 | 1116 | 1117 | 1118 | 1119 |
| 1120 | 1121 | 1122 | 1123 | 1124 | 1125 | 1126 | 1127 | 1128 | 1129 |
| 1130 | 1131 | 1132 | 1133 | 1134 | 1135 | 1136 | 1137 | 1138 | 1139 |
| 1140 | 1141 | 1142 | 1143 | 1144 | 1145 | 1146 | 1147 | 1148 | 1149 |
| 1150 | 1151 | 1152 | 1153 | 1154 | 1155 | 1156 | 1157 | 1158 | 1159 |
| 1160 | 1161 | 1162 | 1163 | 1164 | 1165 | 1166 | 1167 | 1168 | 1169 |
| 1170 | 1171 | 1172 | 1173 | 1174 | 1175 | 1176 | 1177 | 1178 | 1179 |
| 1180 | 1181 | 1182 | 1183 | 1184 | 1185 | 1186 | 1187 | 1188 | 1189 |
| 1190 | 1191 | 1192 | 1193 | 1194 | 1195 | 1196 | 1197 | 1198 | 1199 |
| 1200 | 1201 | 1202 | 1203 | 1204 | 1205 | 1206 | 1207 | 1208 | 1209 |
| 1210 | 1211 | 1212 | 1213 | 1214 | 1215 | 1216 | 1217 | 1218 | 1219 |
| 1220 | 1221 | 1222 | 1223 | 1224 | 1225 | 1226 | 1227 | 1228 | 1229 |
| 1230 | 1231 | 1232 | 1233 | 1234 | 1235 | 1236 | 1237 | 1238 | 1239 |
| 1240 | 1241 | 1242 | 1243 | 1244 | 1245 | 1246 | 1247 | 1248 | 1249 |
| 1250 | 1251 | 1252 | 1253 | 1254 | 1255 | 1256 | 1257 | 1258 | 1259 |
| 1260 | 1261 | 1262 | 1263 | 1264 | 1265 | 1266 | 1267 | 1268 | 1269 |
| 1270 | 1271 | 1272 | 1273 | 1274 | 1275 | 1276 | 1277 | 1278 | 1279 |
| 1280 | 1281 | 1282 | 1283 | 1284 | 1285 | 1286 | 1287 | 1288 | 1289 |
| 1290 | 1291 | 1292 | 1293 | 1294 | 1295 | 1296 | 1297 | 1298 | 1299 |
| 1300 | 1301 | 1302 | 1303 | 1304 | 1305 | 1306 | 1307 | 1308 | 1309 |
| 1310 | 1311 | 1312 | 1313 | 1314 | 1315 | 1316 | 1317 | 1318 | 1319 |
| 1320 | 1321 | 1322 | 1323 | 1324 | 1325 | 1326 | 1327 | 1328 | 1329 |
| 1330 | 1331 | 1332 | 1333 | 1334 | 1335 | 1336 | 1337 | 1338 | 1339 |
| 1340 | 1341 | 1342 | 1343 | 1344 | 1345 | 1346 | 1347 | 1348 | 1349 |
| 1350 | 1351 | 1352 | 1353 | 1354 | 1355 | 1356 | 1357 | 1358 | 1359 |
| 1360 | 1361 | 1362 | 1363 | 1364 | 1365 | 1366 | 1367 | 1368 | 1369 |
| 1370 | 1371 | 1372 | 1373 | 1374 | 1375 | 1376 | 1377 | 1378 | 1379 |
| 1380 | 1381 | 1382 | 1383 | 1384 | 1385 | 1386 | 1387 | 1388 | 1389 |
| 1390 | 1391 | 1392 | 1393 | 1394 | 1395 | 1396 | 1397 | 1398 | 1399 |
| 1400 | 1401 | 1402 | 1403 | 1404 | 1405 | 1406 | 1407 | 1408 | 1409 |
| 1410 | 1411 | 1412 | 1413 | 1414 | 1415 | 1416 | 1417 | 1418 | 1419 |
| 1420 | 1421 | 1422 | 1423 | 1424 | 1425 | 1426 | 1427 | 1428 | 1429 |
| 1430 | 1431 | 1432 | 1433 | 1434 | 1435 | 1436 | 1437 | 1438 | 1439 |
| 1440 | 1441 | 1442 | 1443 | 1444 | 1445 | 1446 | 1447 | 1448 | 1449 |
| 1450 | 1451 | 1452 | 1453 | 1454 | 1455 | 1456 | 1457 | 1458 | 1459 |
| 1460 | 1461 | 1462 | 1463 | 1464 | 1465 | 1466 | 1467 | 1468 | 1469 |
| 1470 | 1471 | 1472 | 1473 | 1474 | 1475 | 1476 | 1477 | 1478 | 1479 |
| 1480 | 1481 | 1482 | 1483 | 1484 | 1485 | 1486 | 1487 | 1488 | 1489 |
| 1490 | 1491 | 1492 | 1493 | 1494 | 1495 | 1496 | 1497 | 1498 | 1499 |
| | | | | | | | | | |

Standard Life
can construct the building
you want on industrial parks
at Abingdon, Basingstoke, Watford

For full details
Standard Life 01-227 7991 Phoenix Board 01-225 1681

PROPERTY INVESTMENT
Hampton & Sons
01-493 8222

MAN IN THE NEWS

A star gets his palace

BY MICHAEL COVENEY

SINCE Tuesday's announcement that he has purchased the freehold on the Palace Theatre, London for £1.3m, Andrew Lloyd Webber has been inundated with both production proposals and congratulatory messages (one on buying "the ultimate Victorian art work").

Pre-Raphaelite painting and Victorian architecture have long been an obsession of Britain's most successful composer.

Now 35, the composer of *Jesus Christ Superstar*, *Evita* and *Cats* has long cherished ambitions of owning his own theatre. Last year he was pipped at the post



Andrew Lloyd Webber

for the Aldwych by the American impresario James Nederlander. And plans to re-open the Old Vic as a home for new British musicals were thwarted by Canadian restaurateur Ed Mirvish, whose sealed bid just topped Lloyd Webber's.

The Palace, a Grade II listed building, looms impressively over Cambridge Circus. It opened in 1891 under the management of Richard D'Oyly Carte as a home for new English opera, but then became the stage for many long-running musicals.

Superstar topped the lot by running for eight years from 1972. The record album had been released two years earlier and remains the biggest selling LP ever. With his lyricist partner, Tim Rice, this marking of a hit show before it even appeared on stage was later repeated with *Evita*. Lloyd Webber's mother was a distinguished teacher of the piano to very young children. His father, who died last year, was director of the London College of Music. His brother Julian, is an outstanding cello soloist.

Andrew is pleased that the British theatre is at last taking musicals seriously — he is fond of quoting Duke Ellington to the effect that there are only two kinds of music, good and bad — and his own career has much to do with this.

These thoughts came tumbling out in a rush as we sat in the dining room of Lloyd Webber's Belgrave apartment. He had just left a meeting next door with his business manager Perry Hands, joint artistic director of the Royal Shakespeare Company and a powerful West Coast entrepreneur. "Tomorrow," he shouted as they departed, "I shall be in Scotland with Trevor." Trevor being Mr Nunn, the other artistic director of the RSC, director of *Cats*, and director and lyricist of Lloyd Webber's next show but one, an adaptation of David Garnett's novel *Aspects of Love*. This might or might not appear at the Palace.

China set to join nuclear agency

BY DAVID FISHLOCK, SCIENCE EDITOR

CHINA is expected to apply for membership of the International Atomic Energy Agency (IAEA) at the annual conference in October. It is the only one of the world's five nuclear weapon nations not to belong to the IAEA which polices the Non-Proliferation Treaty (NPT) and promotes international co-operation in nuclear energy.

China's main condition of entry — a seat on the agency's governing body — where 34 other nations are represented — is expected to be met.

Dr Hans Blix, director-general of the IAEA, told the Uranium Institute symposium in London yesterday that environmental as well as energy supply issues "appear to have played an important role" in China's decision to turn to nuclear power.

He said the decision to apply for membership, confirmed during his recent visit to China, was also confirmation of the usefulness of the agency's work.

China, which has no nuclear power reactors yet in operation or under construction, is not expected to sign the NPT, but it is thought likely to endorse the principles of nuclear safety and non-proliferation.

It would be in a position similar to that of France, as a nuclear weapons state which, while not a signatory to the NPT, nevertheless endorses nuclear safety.

The reasons given for China's initiative are that it wishes to join the international nuclear energy community in support of its own plans for nuclear power, particularly in regard to the safe operation of nuclear plants.

It plans to build two 800 Mw reactors near Hong Kong and a 300 Mw reactor near Shanghai.

Dr Blix said yesterday that in spite of vast deposits of coal and much unexploited hydro-electric potential they have come to the conclusion that nuclear must become one of their important energy resources.

In return he had found that China had considerable experience of the use of radiation and radio-isotopes — for example in food preservation and agricultural research — to offer the international nuclear community.

The major question for the IAEA is whether China will take a strong line on safeguards against nuclear weapons proliferation, for example by fully supporting the agency's efforts to prevent all transfer of unsafeguarded nuclear materials and equipment.

Dr Blix told the symposium that preventing the further spread of nuclear weapons "is largely a question of political will. It is vitally important that this will be maintained and that it be extended to prevent a further accumulation of nuclear weapons and to begin nuclear disarmament."

The world was "threatened by some 50,000 nuclear warheads today, not by 300 nuclear power reactors," he said. "When so many people turn against the reactors I fear it is often because of the frustration they feel in their fruitless fight against the weapons."

Mr Justice Nolan said: "There is no doubt about the importance and urgency of this matter. Every subject has the right to come to the court to protect his interests, or try to."

Earlier yesterday, the judge refused a British Midland application to be represented at the hearing to oppose the British Airways' challenge.

Mr Bishop said British Midland was leaving in the hands of its solicitors the possibility of an appeal over the judge's refusal to allow the airline to be represented.

Court allows BA to challenge Belfast rival

BY JAMES McDONALD

British Airways was given permission in the High Court yesterday to challenge the Civil Aviation Authority's decision to allow British Midland Airways to operate a rival service on the Heathrow-Belfast shuttle route.

Mr Justice Nolan said BA appeared to have an "arguable case" which should be heard by the Queen's Bench Divisional Court as soon as possible.

The full application challenging the 10-year licence granted by the CAA to British Midland, however, is not expected to be heard until the start of the new law term on October 1.

Mr Michael Bishop, chairman of British Midland, said last night that his company had been granted the licence for a

Heathrow-Belfast service and that, if it wished, it could start a service at any time before the court hearing.

But he refused to say if the company would start operations before the hearing.

This is believed to be the first time any CAA route-licensing decision has been challenged in the High Court. In so doing, British Airways appears to be challenging the Government's "open skies" aviation policy.

In the High Court yesterday, BA claimed the CAA's decision was inconsistent with the 1982 Civil Aviation Act, which governs the way licences are granted.

The state-owned airline, which may be privatised within the next two years, claimed the CAA attached too much importance to the question of competition when granting the licence to British Midland.

Mr Peter Scott, QC, counsel for British Airways, told the judge that the CAA had a duty to consider the effect of awarding new licences on existing operators.

Mr Scott said that BA had come directly to the High Court rather than to the Secretary for Transport because the issues raised in the case involved the construction of the Act and applied to all licence applications.

It was better that an important point of law should be cleared by the court before being dealt with by the Secretary for Transport.

Mr Justice Nolan said: "There is no doubt about the importance and urgency of this matter. Every subject has the right to come to the court to protect his interests, or try to."

Earlier yesterday, the judge refused a British Midland application to be represented at the hearing to oppose the British Airways' challenge.

Mr Bishop said British Midland was leaving in the hands of its solicitors the possibility of an appeal over the judge's refusal to allow the airline to be represented.

Creditors appoint liquidators for Meriden

BY JOHN GRIFFITHS

THE ONCE-PROUD name of Meriden finally topped yesterday into the self-dug grave of Britain's motorcycle industry.

The end of the Meriden co-operative, last makers of motorcycles bearing the Triumph name, was reached with the appointment of liquidators by 200 creditors owed a total of £3.8m.

Their meeting at the Meriden plant, near Coventry, was a formality — not one machine has been built since February. Only a handful of employees remained of the 2,000 who, in 1975, armed with £5m from Mr Tony Benn, then Industry Secretary, launched the co-operative bent on restoring Triumph to its 1960s glory.

Instead, Meriden has eaten its way through nearly £15m. The only significant asset is the plant site itself, which it is hoped will raise £1m if sold for redevelopment. Total assets are put at no more than £1.2m.

The joint liquidators, Mr Alastair Jones and Mr Roger Dickens of accountants Peat, Marwick, Birmingham, hope to sell the plant and equipment in one package. They indicated yesterday that unsecured creditors — owed more than £2m — are likely to get nothing.

The one secured creditor, National Westminster Bank, is owed £1.3m. Unsecured creditors include West Midlands County Council, which at the end of last year lent the co-operative £465,000 to help its cash flow.

The odds were stacked heavily against success from the moment the co-operative came into being, after a sit-in to prevent the factory's closure by Norton Villiers Triumph. Lack of investment and complacency about productivity coupled with an early contempt for the threat from Japanese motorcycles had made the UK industry's plight irretrievable by the early 1970s.

Meriden enjoyed a brief early success, selling a few thousand machines a year but by October 1981 the Government was obliged to write off £10.85m accumulated debt to the Industry Department and Export Credits Guarantee Department.

hoped the experiment would be a model initiative for saving jobs in the capital.

Mr Michael Ward, chairman of the GLC Industry and Employment Committee, said yesterday: "The attempt has been bold and imaginative with the workforce investing a great deal of time and money in it. This course represents the last hope of saving any jobs."

Continued from Page 1

Beer bottles

plant in Leicester to compete with Metal Box. The new plant will have an initial capacity of 30m bottles a year and will be on stream by next summer.

● Davenport Brewery is to invest £1m in a fully-automated plant for the filling of PET bottles. This year, the company expects a 30 per cent increase in both sales and trading profits as a result of the new business.

A number of the major brewers, including Watney, are investing up to £500,000 each for equipment which will fill PET bottles.

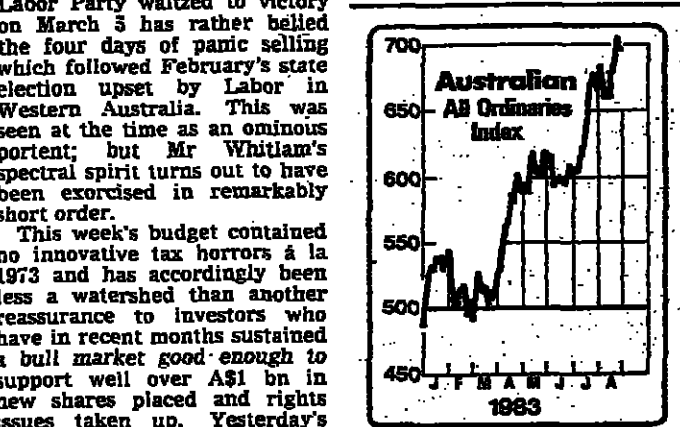
According to the Brewers Guild, some 27 beer brands are available in plastic bottles. These are expected to reach the 40 mark by the end of the year.

"The whole thing is staggering," said Mr A. D. Champion, ICI's sales manager for Melnar, the company's trade name for PET. "Sales are going twice as fast as we thought and people thought we were mad. At the end of the day, it's a package people like. The people who have been really surprised are the brewers."

THE LEX COLUMN

Hawke hovers high over the bulls

Index rose 4.7 to 722.1



The movement in Australian share prices since Mr Hawke's Labor Party waited to victory on March 3 has rather belied the four days of panic selling which followed February's state election upset by Labor in Western Australia. This was seen at the time as an ominous portent; but Mr Whitlam's spectral spirit turns out to have been exercised in remarkably short order.

This week's budget contained no innovative tax horrors à la 1973 and has accordingly been less a watershed than another reassurance to investors who have in recent months sustained a bull market good enough to support well over A\$1 bn in new shares placed and rights issues taken up. Yesterday's A\$98.7m rights issue from ICI Australia followed another for A\$128m from the National Commercial Banking Corporation on Thursday. Among the leading mining and resource companies, only MIM and Western Mining have yet to succumb to the new issue market's charms.

The Australian All Ordinaries at 512.6 and the All Industrials at 651 on March 31 had spent the immediate post-election weeks going nowhere. The 34 per cent jump in the Oil and Gas Index during April, to 485, suggests that the rally owes a great deal to the Opec conference at Easter and the new strength in the international oil market. The Ordinaries Index reached 592 at the end of April, meandered through May and June and has risen to a peak this week of 706.4.

In these conditions, the new shares have evidently been welcomed by many of the domestic institutions as an opportunity to rebuild underweight portfolio positions. The impact of foreign cash also appears significant: ERISA funds from the U.S. are estimated to have doubled their commitment to Australia since April, looking for a way to ride the anticipated recovery in world commodity prices. This recovery is already well advanced in aluminium, where producers have the upper hand, but is less assured elsewhere, and has not even begun in lead.

Foreign investors in Australia might be unwise to assume that the absence of a gold mining tax and a resources rent tax from Tuesday night's budget has laid either notion to rest. Yet while Canberra struggles with their legislative complexity most brokers feel confident the whole issue can be left out of account for at least another six months.

The breaking community's earnest hope might well have fathered any such confidence. But a similar impression, of major changes being deferred, also hangs over other key areas of economic policy and indeed the budget itself.

The Labor government has certainly taken every opportunity so far to display its credentials as a champion of domestic versus foreign investment in the Australian economy with adverse decisions affecting subsidiaries of Unilever, Cadbury Schweppes and Citibank among others. But Mr Hawke's cabinet has yet to face the real test of proffered investment in a resources project involving clear conflicts of interest and it remains unclear how signal will be the change, if any, from the direct investment policy of recent years.

Its first full budget, as expected, has ducked out of major tax cuts and job creation plans. But a broadly Keynesian package does include a Government deficit of 4.7 per cent of GDP, at A\$8.4m. A great deal has been left to the healing power of a continuing world recovery — and Mr Hawke's ability to restrain wage increases to 7 per cent in the meantime.

Anything stronger than a 2 per cent growth in GDP as forecast could easily embarrass Mr Hawke in this exercise. But he can at least draw strength from the fact that neither the unions nor the corporate sector are expecting this Labor Prime Minister to disappear as suddenly as his predecessor.

Harold Ingram

It seems that there is nothing like a Turkish name to stir up excitement on the London stock exchange. Hard on the heels of Asil Nadir of Polly Peck fame, to say nothing of Mellins, comes

the improbably named Wasskon Establishment in pursuit of a thoroughly British and bombed out-textile company, Harold Ingram.

On the face of it this is a bizarre tale of midsummer madness on Throgmorton Street. The Ingram share price, which has not moved above 50p for almost a decade, shot up within a couple of days to reach 325p at one stage before being suspended at 300p. This price movement had nothing to do with the expected take-over price, and yesterday the Liechtenstein-based Wasskon surprised no one by announcing a 65p per share offer for the outstanding minority of Ingram equity.

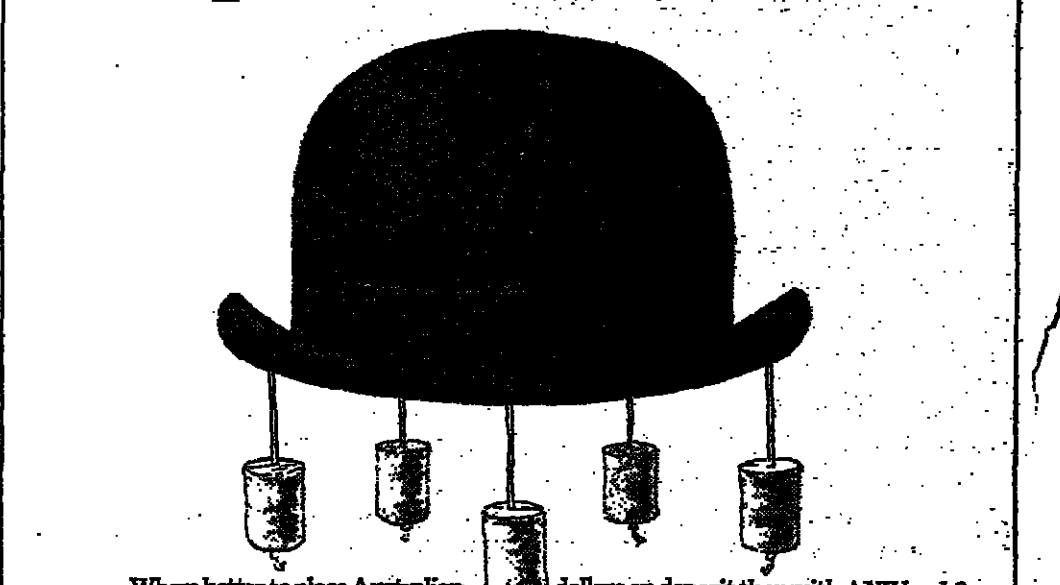
The Ingram story parallels developments at Bellair Cosmetics, where Wasskon bought what was almost a shell company and drove the price sky high earlier this year. In each case the outside investors appear to have moved in on the expectation that these companies will be used as vehicles for much larger operations.

The Stock Exchange, justifiably, does not permit outright shells to be bought as a backdoor route for businesses to obtain a quotation. If permitted, that procedure would drive a coach and horses through its safeguards and regulations. But the Polly Peck example shows that it is possible to buy an existing trading business, however small, and bolt on to it over a period of years a number of substantial new businesses, retaining the quotation of the original through the process.

Apart from being counter to the spirit of the Stock Exchange's listing procedures, this practice runs the risk of encouraging insider trading. The overseas involvement makes it particularly difficult for the Exchange to monitor the flow of price sensitive information.

A London quotation has obvious attractions, particularly if it can be bought cheaply. The market is liquid, disclosure requirements are generally less onerous than in New York and high valuations are, at least currently, the order of the day. From the Stock Exchange's point of view, there is no easy way to stop these creeping transformations. It should, however, be prepared to ensure a suspension earlier than it did in the case of Harold Ingram and to keep the shares frozen until far more is known about the offers and their intentions. It should also be prepared to come down hard at a later stage on companies that break their original undertakings.

What better banker to handle your Australian dollar deposits in London?



Where better to place Australian dollars on deposit than with ANZ bank? As leading operators in the world's major currencies, we have the most advanced facilities and expertise to handle Australian dollar deposits — after all it is our currency.

So if you wish to place Australian dollars on deposit on a money market basis, we can offer you competitive interest rates and will quote to you at any time. For further information, why not call us today and gain from our experience in Australian dollars or other major currencies.

ANZ BANK
AUSTRALIA AND NEW ZEALAND
BANKING GROUP LIMITED
(Incorporated with limited liability in the State of Victoria, Australia)

85 Gracechurch Street, London EC3N 3BN.
Inland Telex: 01-6231323 Telex 087311
Corporate Enquiries: 01-623 1275
Australian Dealers: 01-623 1475 Telex 087344

"Reproduction of the contents of this newspaper in any manner is not permitted without the consent of the publisher." Registered at the Post Office, printed by St. Clements Press for and published by The Financial Times Ltd., Bracken House, Cannon Street, London EC4A 3DF.